



UPTOWN DESTINATION DISTRICT MARKET ANALYSIS

PREPARED FOR

**DISTRICT OF COLUMBIA
OFFICE OF PLANNING**

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EXECUTIVE SUMMARY

This study analyzes the potential market support for new development and investment in the Uptown Destination District (UDD), defined as the U Street/Florida Avenue corridor from 13th to 6th Streets, N.W. and the 7th Street/Georgia Avenue corridor from Rhode Island Avenue to Barry Place. UDD links the Lincoln Theatre and Howard Theatre with Howard University, historic neighborhoods and two Metro stations. The district's strong cultural history as "Black Broadway" offers many opportunities for revitalization as a destination district.

The potential for development in the UDD will combine demand from existing residents and businesses with that generated by the new residents moving into the area drawn by the district's location, Metro access and historic housing resources. This analysis examines the potential for entertainment, arts, housing, office, retail and hotel development.

Entertainment and Arts Potentials

PETR Productions evaluated a number of alternative uses for restoring the Howard Theatre to a vital cultural use, including a 1,300-seat theater, a smaller theater of less than 500 seats, a larger theater of more than 2,000 seats, a community and visitor center, a museum, a movie cineplex and a mixed-use entertainment center. The evaluation considered the extent and performance of other arts and entertainment facilities in the city and focused on the following criteria:

- Capitalizes and focuses on the theater's historical significance as a major venue for African American entertainers
- Conforms to building's structural constraints and its designation as a National Historic Landmark that is located within an historic district
- Is economically feasible (required investment and financing is met by operating cash flows)
- Anchors proposed uptown destination district, thereby creating enhanced neighborhood activity and development
- Attracts a diverse non-resident audience, and plays a prominent role in the community's art and cultural life
- Lives in harmony with the Lincoln Theatre
- Minimizes environmental impact on the surrounding neighborhood.

Given these objectives, the best option for sustainable reuse of the Howard Theatre is as a music performance venue for 500 to 600 persons with fine dining and beverage service. This approach has worked very successfully at Green Dolphin Street in Chicago and Storyville in New Orleans. The facility's exterior should be restored to its approximate 1910 appearance and

the interior reconfigured to support these functions and to include a museum of the Theatre's history.

Though the district has a number of destination uses (e.g., Lincoln Theatre, Howard Theatre, African American Civil War Memorial, Bohemian Caverns), it lacks the critical mass essential to a successful destination district. The area needs another major entertainment anchor, preferably two new anchors, to reinforce the district as a destination for tourists and regional residents. The ideal locations for such anchors would be the Housing Finance Agency site at 9th Street and Florida Avenue (Square 2875) and the WMATA/Howard University site (Square 0416).

Other entertainment opportunities include:

- More dining, entertainment, and retail uses, such as niche food and beverage outlets (e.g., ethnic restaurant, single product – smoothies), live performance music clubs (e.g., jazz, hip hop), a large live entertainment venue (approx. 5,000 seats), and lifestyle retail (e.g., parenting, arts and crafts, do it yourself-oriented)
- Facilities to support annual neighborhood interaction and socialization, such as outdoor performance/gathering areas (e.g., amphitheater, bandstand, plaza, etc.), an open market (e.g., farmer's, flea, etc.) facility, and a community visitor/cultural center for residents and visitors
- Other complementary uses such as a rental facility with catering capabilities, a music heritage museum, and adult/continuing education facilities in the fines arts and performing arts

To achieve its full potential as an entertainment destination, the UDD needs physical and visual link to other district “magnets”, improved vehicular access and improved safety and cleanliness.

Housing

Currently, the strongest market demand in the UDD is for new housing. Priced out of other more sought-after neighborhoods, many singles and childless couples are being attracted by the availability of historic rowhouses and newly constructed condominiums and apartments in the area. Coupled with low interest rates, this heightened demand has led to rapid price increases. New condos built at Metro stations could achieve prices of \$375,000 to \$475,000 (\$450 to \$500 per square foot). Demand could support a total of 815 units in the next five years.

The current economics of developing rental housing do not favor new construction of market-rate apartments at this time. Low mortgage interest rates and rapid housing appreciation have encouraged many renters to buy

homes at the same time that several new apartment developments have opened in and near downtown. The UDD could support an estimated 160 to 320 units over the next 10 years once mortgage interest rates increase again, leading more households to seek rental housing.

Affordable Housing

The same high housing values that will support and encourage reinvestment and development in the UDD are making it more and more difficult for long-time residents to stay in the area, particularly low-income renters. Preserving the community's people as well as its houses and structures demands significant new development of affordable housing units and preservation of existing subsidized units. The Convention Center Area Strategic Development Plan provides more detailed information about affordable housing issues in Shaw.

Retail

The UDD currently includes two distinct retail areas: U Street from 15th to 10th streets, N.W. and 7th Street from W to T streets. In the future, retail from 13th to 10th streets should build on the retail successes further west on U Street and 14th Street. This portion of the study area could support 38,000 to 50,000 square feet of retail space with about one-half in general merchandise, apparel, furnishings and other "shoppers goods." Rents of \$25 to \$35 per square foot are likely, which could end up forcing some current businesses to move or close unless they can receive assistance and resources to achieve higher sales or preferred rents.

Future potentials in the 7th Street corridor will depend on resolving the street's safety and maintenance issues. With renovation of the Howard Theatre and/or addition of an arts event use on Square 0441, the area could flourish as a restaurant district. T Street from 7th Street to Florida Avenue is particularly suited to sidewalk cafes and other restaurants. The 7th Street/Georgia Avenue retailing should emphasize restaurants, cafes and take away food (30,000 to 35,000 square feet) with smaller components of personal service and convenience goods (3,000 to 7,000 square feet) and shoppers goods (12,000 to 23,000 square feet). The Howard Town Center project is proposed to include a major grocery store, a relocated CVS drugstore and other neighborhood-serving retailers. If this development does not proceed, these anchors should be located elsewhere in the neighborhood near Howard University north of Florida Avenue.

To support this retail demand and strengthen the market position of existing and future retailers in this area, the following actions should be taken:

- Establish recognizable, consolidated retail districts associated with a shopping or dining tasks;
- Seek a comprehensive parking solution with well-maintained and well-lit parking available to the public;
- Restore realism to the Uptown retail real estate market by educating landlords as to supportable rents and discouraging them from holding their properties vacant and off the market in anticipation of high rents in the future; and
- Quickly establish a safe, maintained, and possibly managed environment.

Office

The Uptown district is a secondary office market, which will attract primarily institutional tenants, non-profit organizations, professional offices and other neighborhood-serving businesses. As in many parts of the city and region, the market will not justify speculative office space; any major new office development will need to have signed leases before beginning construction. Leases from the District Government and Howard University could potentially support construction of office buildings with additional space for other businesses or organizations. Current rents range from \$28 to \$34 per square foot for newly developed or renovated office space.

Hotel

The UDD offers proximity to Howard University and Hospital, the new Convention Center and Downtown, but currently it does not offer the range of amenities that tourists and other guests seek when they choose a hotel. The past failures of hotel ventures, such as the Howard Inn, illustrate the need to merge business and institutional hotel demand with significant tourist and visitor demand tied to the surrounding residential neighborhood. In the longer term, with the area's development as an enhanced entertainment district with new amenities, a new hotel of 100 to 200 rooms could be supported.

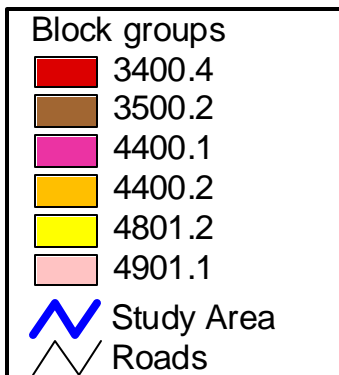
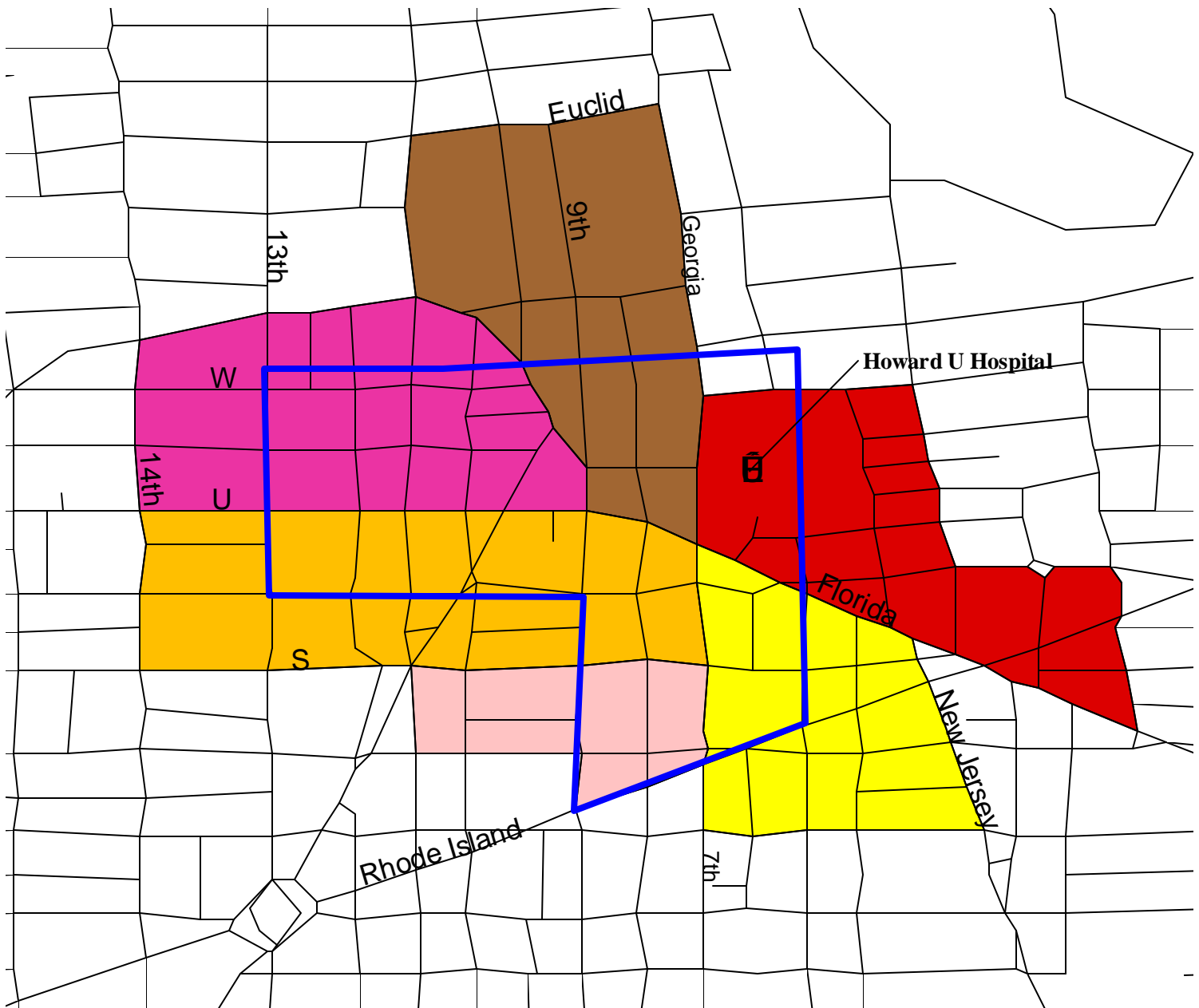
I. INTRODUCTION

This report analyzes the market feasibility of development around the Shaw/Howard University Metro station with the District of Columbia's Shaw neighborhood. The study area runs along U Street/Florida Avenue from 13th Street on the west to 6th Street on the east, dropping down to Rhode Island at 7th Street NW. Seventh Street and Florida Avenue, NW serve as major thoroughfares carrying local and commuter traffic into Downtown Washington. Within this study area are multiple publicly owned sites subject to redevelopment.

This market analysis reviews trends in study area economics, demographics and physical development. The economic and demographic characteristics of the Uptown Destination market area compared with District-wide trends and the Convention Center study area, which includes the area bounded by U Street/ Florida Avenue, Vermont Avenue/ 12 Street, New Jersey and New York Streets. These characteristics provide a backdrop for the area's current demand. The Study Area includes six census block groups¹, as shown on the following map. The report details existing and planned competitive supply. Estimates about the potential demand are based on these existing conditions and information from comparable markets.

¹ Uptown Destination Study Area includes the following block groups: 3400.4, 3500.2, 4400.1, 4400.2, 4801.2 and 4901.1.

Uptown Destination District Study Market Area



Source: Esri, BAE; 2004.

0.25 0 0.25 0.5 Miles



II. ECONOMIC AND DEMOGRAPHIC CHARACTERISTICS

The following economic and demographic analysis provides an overview of 1990 and 2000 Census data for the District of Columbia and the Uptown Destination Study Area (including Census block groups within the Uptown Destination District study area). All data tables are located in the attached Appendix A.

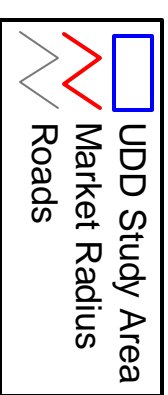
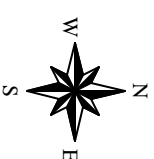
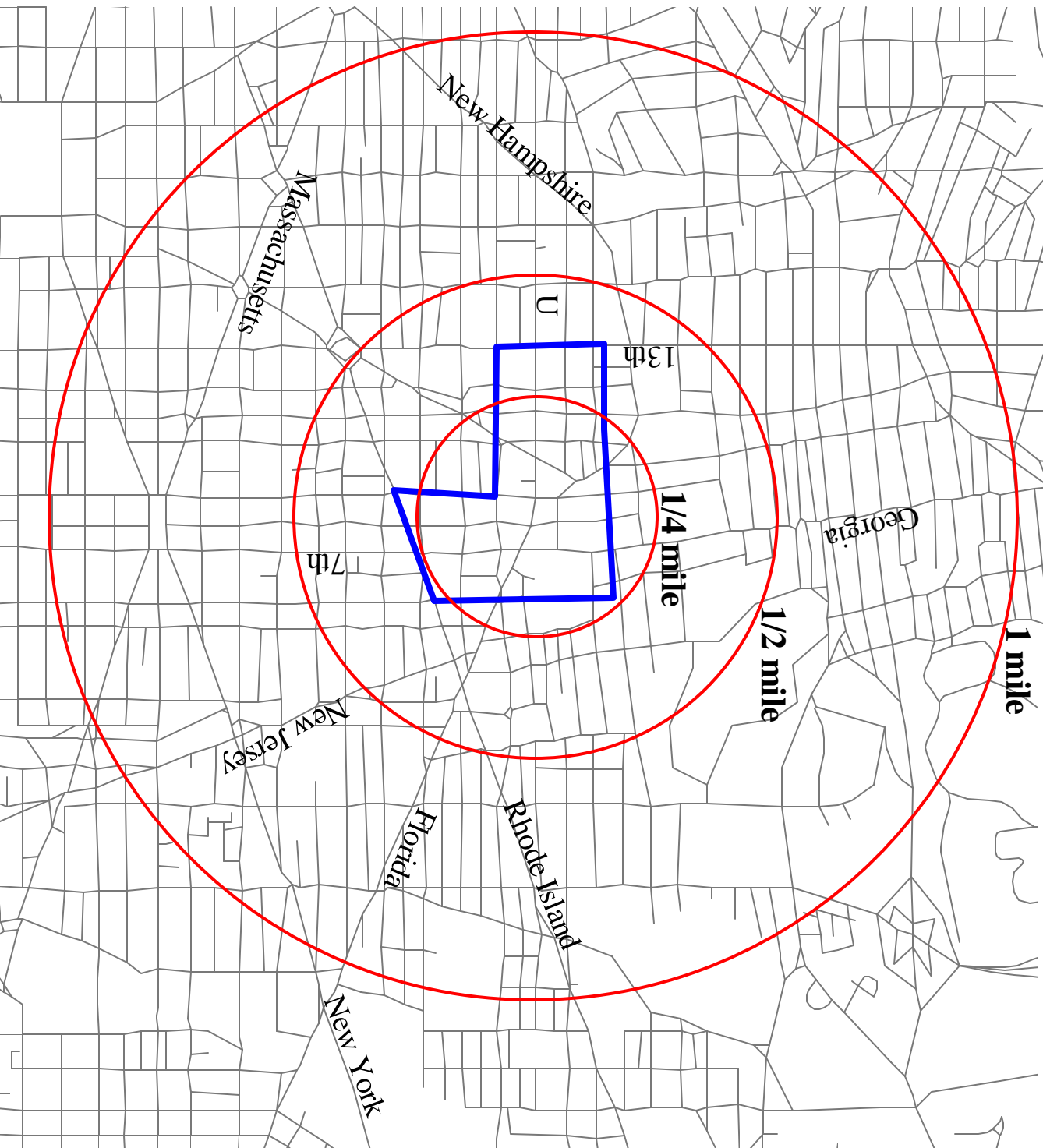
Population and Household Characteristics

The Uptown Destination Study Area's population gained 2,758 residents, growing at a 4.2-percent compounded annual average rate from 1990 to 2000 (See Table A-1). The District of Columbia lost population during the same period with a decrease from 606,900 to 572,059, representing a 5.7-percent loss. In contrast, the Convention Center study area gained 1,884 new residents. At the individual block group level, some tracts had only minor increases in population and others had larger gains due to rehabilitation of neighborhoods and new housing construction. According to data provided by Claritas, Inc., a national data provider, the one-mile trade area's population remained steady with only a minor decrease from 75,656 in 1990 to 74,932 in 2002.

The Uptown Destination Study Area gained 802 new households according to the 2000 U.S. Census. Overall, the number of households in the District of Columbia decreased by more than 1,200 households from 1990 to 2000.

The average household had 2.16 persons in the District in 2000 and ranged between 1.84 and 2.49 persons in each of the Uptown Destination Study Area's block groups. Within the one-mile trade area (shown in Map 2), household size dropped during the same period from 2.18 to 2.07 persons. As shown in Tables 1 and A-2, more than one-third of Uptown Destination Study Area homeowner households have one person and 31.9 percent have two persons.

Uptown Destination District Market Area



Source: Census, BAE, 2004.



Table 1 Household Size

	Total Uptown Destination Study Area				
	1990		2000		Percent Change
	Number	Percent	Number	Percent	
Owner occupied:					
1 person	198	32.6%	377	34.8%	90.4%
2 persons	173	28.5%	345	31.9%	99.4%
3 persons	90	14.8%	159	14.7%	76.7%
4 persons	59	9.7%	96	8.9%	62.7%
5 persons	37	6.1%	58	5.4%	56.8%
6 persons	12	2.0%	30	2.8%	150.0%
7 or more persons	39	6.4%	18	1.7%	-53.8%
Total	608	100.0%	1,083	100.0%	78.1%
Renter occupied:					
1 person	749	48.4%	913	48.7%	21.9%
2 persons	312	20.1%	441	23.5%	41.3%
3 persons	179	11.6%	214	11.4%	19.6%
4 persons	122	7.9%	140	7.5%	14.8%
5 person	84	5.4%	85	4.5%	1.2%
6 persons	43	2.8%	44	2.3%	2.3%
7 or more persons	60	3.9%	39	2.1%	-35.0%
Total	1,549	100.0%	1,876	100.0%	21.1%

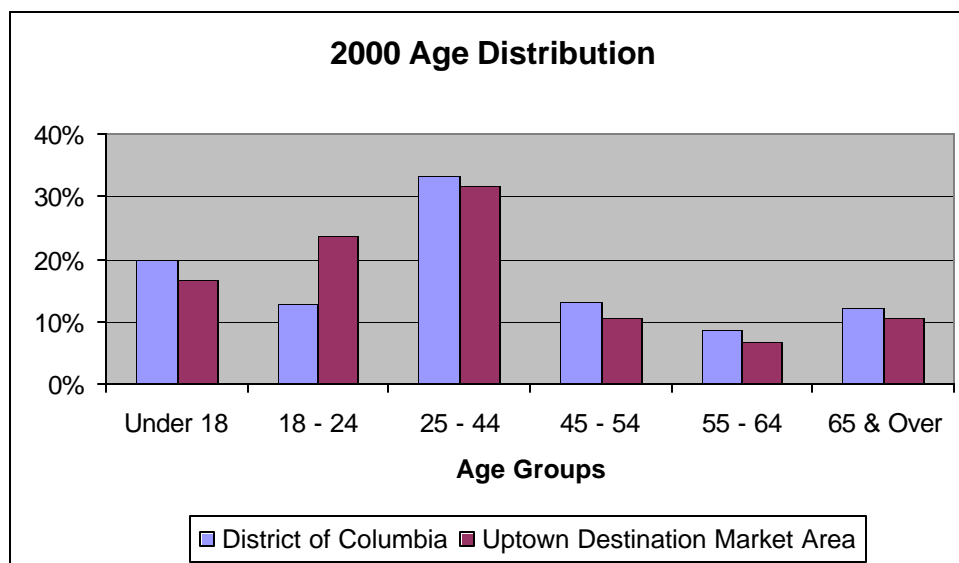
Sources: 1990 & 2000 U.S. Census; Bay Area Economics, 2003.

Twenty-three percent of homeowners have three to four household members, while 9.8 percent have five or more persons. Renter households are typically smaller with 72.2 percent in one- and two-person households in the Uptown Destination Study Area. There is a decrease in household size and an increase in single- or two-person homeowner households.

Age

The District's population had a median age of 34.8 years in 2000, similar to the United State's median age of 35.3. One-third of the District's population was between the ages of 25 to 44 as compared with 31 percent of Uptown Destination Study Area's population. This is the most rapidly growing age group within the U.S.

The Uptown Destination Study Area has a large proportion of residents aged 18 to 24 (23.8 percent); only 12.8 percent of District residents are in the same age group. Not surprisingly, the Uptown Destination Study Area has a slightly lower proportion of children (18 years and younger) than the District of Columbia, with a drop from 22.9 to 16.9 percent from 1990 to 2000.



At the other end of the age spectrum, residents aged 65 and over represented 10.3 percent of the Uptown Destination Study Area population as compared with 12.4 percent in the nation and 12.3 percent in the District of Columbia.

Income

Uptown Destination Study Area households had a median income of \$37,031 in 2002, estimate provided by Claritas, Inc. Fully 35 percent of the Study Area households had incomes below \$15,000, while 13.4 percent had incomes of \$75,000 or more. The Study Area incomes varied significantly by block group with concentrations of low- and moderate-income households, reflecting in part the large population of Howard University students. Median household income in 2000 ranged from \$7,616 in block group 3500.2, which includes a large student population, to \$50,089 in block group 4400.2, an area characterized by rowhouses and single-family detached houses. These block group data are shown in Table A-3.

Table 2: Household Income Distribution, 1990-2000

Income Range	Uptown Destination Study Area			
	1990		2000	
	Households	Percent of Total	Households	Percent of Total
Less than \$15,000	944	44.3%	1,040	35.0%
\$15,000 - \$24,999	292	13.7%	460	15.5%
\$25,000 - \$34,999	215	10.1%	231	7.8%
\$35,000 - \$49,999	306	14.4%	398	13.4%
\$50,000 - \$74,999	248	11.6%	444	14.9%
\$75,000 - \$99,999	81	3.8%	156	5.2%
\$100,000 - \$149,999	19	0.9%	162	5.5%
\$150,000 or more	27	1.3%	81	2.7%
Total Households	2,132	100.0%	2,972	100.0%

Note: 1990 incomes are as of 1989, 2000 incomes are as of 1999. All incomes in current dollars.

Sources: 1990 & 2000 Census; Bay Area Economics, 2004.

The market study analysis reviews several different geographic areas based on data availability and comparison patterns. To consider retail potentials generated by nearby residents, trade areas are defined by rings consisting of a one-quarter, one-half and one-mile radius around the intersection of Florida Avenue and 8th Street, N.W. The quarter-mile ring includes roughly 800 households with a median income of \$38,984, based on 2002 income estimates from Claritas Inc., a national data provider. (See Table A-4.) More than 41 percent of households within this smaller trade area had an annual income below \$25,000. As the trade area grows to one-half mile, it includes more than 4,000 households with a median income of \$34,848. Within the one-mile trade area, median household income increased to \$44,452 with more than 33,000 households. The spread of households by income within the one-mile trade is more evenly distributed with only 28.1 percent of households with incomes below \$25,000.

Gentrification has begun to attract new higher-income households to the area; much of that shift has occurred since the 2000 Census and is not reflected fully in these income statistics. The D.C. Marketing Center provides income

data for the 14th and U Streets, NW area, 14th Street north from M Street to Florida Ave and running along U Street from 8th Street west to New Hampshire Avenue. The households within one mile of this area have an average household income of \$67,893,

The large student population provides a potential customer base for various types of commercial uses (retail and entertainment) in the Uptown Destination Study Area. Howard University students spend approximately \$20,000 to \$25,000 annually on tuition, room and board, and miscellaneous living expenses. It is estimated that between \$3,000 to \$6,000, or 15 to 30 percent, of this amount may be spent on personal items such as music, apparel, events admissions, social drinking and eating. The Uptown Destination District may expect to capture 60 percent of these expenditures due to its close proximity to the campus.

Conclusions:

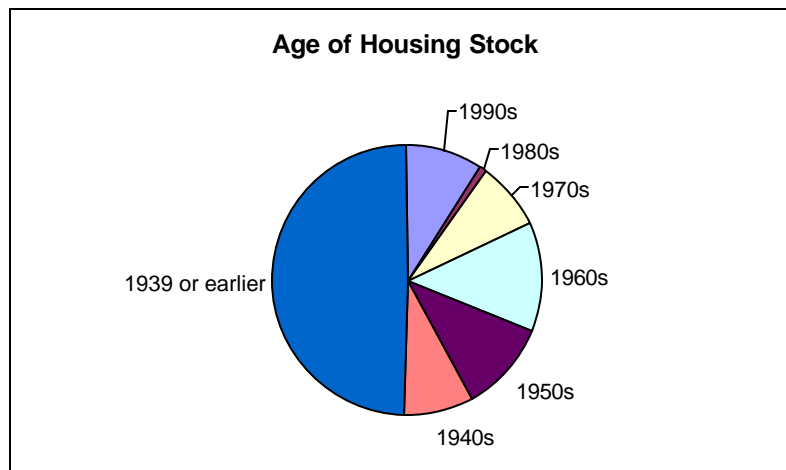
The Study Area enjoyed a 46 percent increase in the number of households in the 1990s. One and two-person households represented 70 percent of all Study Area households in 2000, growing from 66 percent in 1990. The number of owner households grew almost four times faster than the number of renter households from 1990 to 2000, reflecting trends to reinvestment in historic rowhouses. This trend is intensifying with construction of new condominiums. Though historically a low-income area, the Uptown Destination Study Area is changing rapidly with an influx of higher-income individuals and households.

III. EXISTING CONDITIONS

The following section describes existing conditions in the overall study area and subareas within the market. Housing market conditions are addressed first, followed by retail and office market conditions.

Housing Stock

The Uptown Destination Study Area's housing stock consisted of 2,942 units in 2000, including 1,439 single-family detached and attached units and 1,503 multi-family units. Table A-5 shows the 2000 mix of housing units by type and block groups, in order to track variation by geography. The housing stock was divided 48.9 percent in single-family units, 13.5 percent in multi-family units in structures of two to four units and 37.6 percent in structures of five or more units. These multi-family units reflect the number of Howard University student housing units and the high level of rental housing in the Uptown Destination Study Area. The U.S. Census reported that 18.8 percent of the Uptown Destination Study Area's units were vacant in 2000, up from 14.1 percent in 1990. Of the 684 vacant housing units in 2000, only 15 percent were available for rent and 34.2 percent were available for sale, which shows the shift towards homeownership. The remaining vacant units included those units rented or for sale but not currently occupied or units used by students and others who officially reside elsewhere. Almost half of the vacant housing units in the Uptown Destination Study Area represents units in transition to homeownership, some of which are in the process of being renovated.



In addition, the Uptown Destination Study Area's housing stock is aging with the majority of the units constructed before 1960. Forty-nine percent of the existing units were built prior to 1939 (Table A-6). Eight percent, or 324 units, were built since 1990, with the majority of these units (170) built from 1999 to 2000. This trend underscores the surge of new residential building in the Uptown Destination Study Area.

Rental Housing

The Uptown Destination Study Area's rental housing stock consists of medium-sized apartment complexes, rowhouses and apartments within divided single-family homes. According to the 2000 U.S. Census, rental units consist of 63.7 percent or 1,875 of all occupied housing units in the Uptown Destination Study Area.

The inventory of larger rental complexes in the Uptown Destination Study Area and surrounding areas south and north, shown in Table A-7, indicates a relatively tight market for rental units with occupancy rates at most complexes ranging from 95 to 98 percent. Typically, a healthy rental market would have occupancies of roughly 95 percent. Rents varied by location, in particular by proximity to downtown. Rents ranged from less than \$1.00 per square foot for larger units in older buildings to \$2.99 per square foot for smaller luxury downtown apartments. This is considerably higher than the District-wide median monthly rent of \$577 for 2000 but consistent with the current city-wide rents of mid-level apartments.

The conversion of rental units to for-sale condominiums within the District of Columbia is on the rise, fueled in part by low interest rates and an influx of new residents interested in this type of housing product. Median sales prices have increased steadily through the last decade, accelerating in the last several years as mortgage interest rates have fallen. These low-interest rates encourage many renters, who were previously unable to afford mortgages, to enter into the homeownership market.

Ownership Housing

In 2000, ownership housing included 1,067 occupied units or 36.3 percent of the area's occupied housing units. Depending on their life circumstances, prospective homebuyers choose housing based on price; accessibility; quality

of schools; house size, configuration, age and amenities; community amenities; proximity to public transportation; quality of the living environment (e.g., open space, water views); lot size; proximity to support retail and services; proximity to friends and church; neighborhood conditions (e.g., crime); investment value; and other factors.

Within the Uptown Destination Study Area a reversal of historic disinvestment trends reflects the improving homeownership market. This shift can be attributed to the favorable regional demographics, the neighborhood's excellent access to transit, current low mortgage rates, the success of U Street's new developments like Harrison Square, and recent investments in new affordable housing throughout LeDroit Park by Howard University and Fannie Mae.

The characteristics of single-family housing sold in the Uptown Destination Study Area and surrounding neighborhoods during September 2003 were analyzed using data from the Washington Post's realtor.com and First American Real Estate Solutions for units in Zip Code 20001. (See Tables A-8.) This area had a median sales price of \$295,000 for units with a median size of 2,160 square feet. The two- and three-bedroom single-family units had a median sale price of \$280,000, and houses with four or more bedrooms had a median sale price of \$365,000. Fifty-seven percent of the homes sold had two or three bedrooms, and one-third of the homes sold had four or more bedrooms. Prices ranged from the low \$100s to \$368 per square foot. Interestingly, data from October 2003, shown in Table A-9, for an expanded geography including the 20001 and 20002 zip code provides a median sale price of \$408,000. Housing units south of Howard University and on the eastern boundary of the Uptown Destination Study Area include renovated rowhouses with sales prices of \$350,000 up to \$510,000.

New condominium construction along U Street is offering units priced from \$250,000 to \$850,000, equivalent to \$235 to \$680 per square foot. These listings, detailed in Table A-10, illustrate the large supply of one- and two-bedroom units. Many of the units in the inventory come with the option to purchase a parking space within the building. During 2003 approximately 3,501 condominiums were sold within the District of Columbia, including resales and newly-built condominiums, as estimated by Metropolitan Region

Information Systems, Inc. and shown in Table 3. This results in an estimated citywide absorption of 290 condominiums per month.

Table 3: Condominium Sales. District of Columbia, 2003

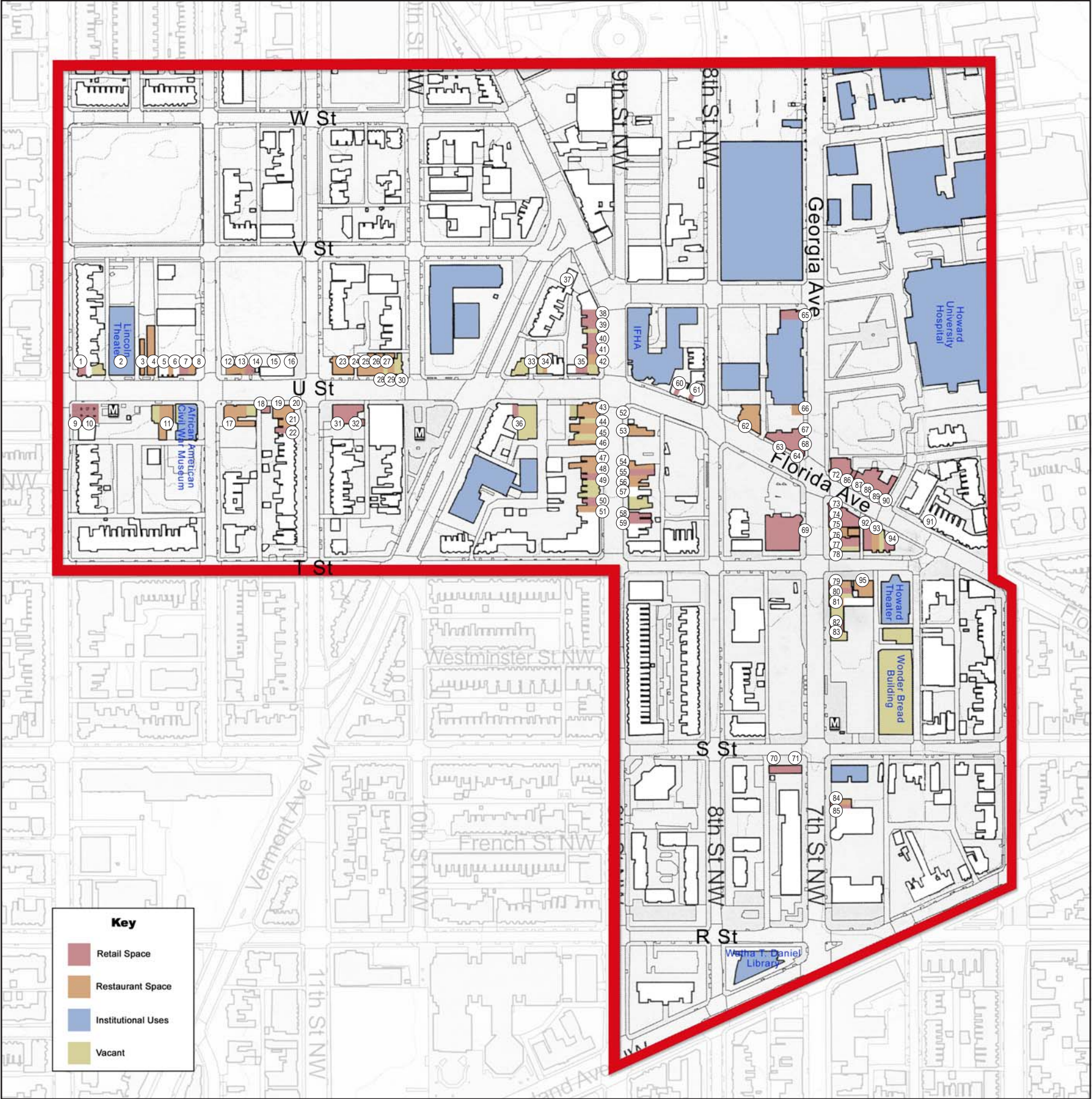
<u>Sale Price</u>	<u>Number of Units Sold</u>	<u>Percent</u>
Under \$50,000	34	1.0%
\$50,000-\$79,999	76	2.2%
\$80,000-\$99,999	68	1.9%
\$100,000-\$139,999	193	5.5%
\$140,000-\$159,999	162	4.6%
\$160,000-\$179,999	211	6.0%
\$180,000-\$199,999	212	6.1%
\$200,000-\$249,999	630	18.0%
\$250,000-\$299,999	560	16.0%
\$300,000-\$399,999	751	21.5%
\$400,000-\$499,999	338	9.7%
Over \$500,000	266	7.6%
Totals	3,501	100.0%
 Average Sales Price	 \$295,771	

Source: MRIS, Inc: Bay Area Economics, 2004.

Existing Commercial Supply

Existing commercial conditions for the entire market study area vary from those conditions within the tight trade Study Area surrounding the two Metro stations. While retail extends along the length of U Street and Florida Avenue within the study area, some areas of retail lack strong identification and include many vacancies. The 900 block of Florida Avenue, between Vermont and 9th Street, as shown in the StreetSense retail inventory map on the following page, has numerous vacancies and struggling retail businesses. While 9th Street south of Florida Avenue has several strong local restaurants, the area suffers from vacancies.

Uptown Destination District Retail Map



- | | |
|---|---------------------------------------|
| 1. George's Shoe Repair | 49. Becky's Beauty Spa |
| 2. Lincoln Theater | 50. Monique's Golden Comb |
| 3. Ben's Chili Bowl | 51. Bar Portico |
| 4. Songhai Restaurant (Vacant) | 52. A & D Auto Rental |
| 5. Dentist | 53. Zula Restaurant |
| 6. The Saloon | 54. Club 1919 |
| 7. Wanda's Hair Studio (Second Floor) | 55. Metro Grocery |
| 8. The Islander | 56. Queen Makeda Ethiopian Restaurant |
| 9. Starbucks | 57. Taste of Marrakech |
| 10. Quizno's | 58. 9th Street Market |
| 11. Roha Ethiopian Restaurant | 59. Liquor |
| 12. 7-11 | 60. Potomac Real Estate |
| 13. Subway | 61. Taj Perfumes |
| 14. Cleaners | 62. Tropicana Jamaican Food |
| 15. Bethesda Friends | 63. Salon 705 |
| 16. Industrial Building Bank | 64. Johnnie's Florist |
| 17. Dukem Ethiopian Restaurant | 65. Wilson's |
| 18. Alem Boutique | 66. Jerry's Carry Out |
| 19. Madjet Ethiopian Restaurant | 67. Reception Hall (Second Floor) |
| 20. U-Turn Restaurant | 68. Gospel Spreading Bible Bookstore |
| 21. La Casma Restaurant | 69. CVS |
| 22. 11-Market | 70. Hollywood Styles Cuts |
| 23. Bohemian Caverns | 71. Log Cabin Liquor |
| 24. Indigo Fashions | 72. Popeye's Fried Chicken |
| 25. Cash Advance | 73. Salon (Second Floor) |
| 26. Eaton's Barber Shop | 74. Central Communications |
| 27. Salon Essence | 75. Joe Kaplan's Mini Mart |
| 28. Carlo's Boutique | 76. Nicholas Delicatessen |
| 29. Soul Food and Lots More | 77. J&L Gift Shop |
| 30. Hollywood Shoe Shine | 78. J&L |
| 31. Lee's Flowers | 79. Dragon Express |
| 32. Capital City Records (Second Floor) | 80. Market |
| 33. U-Haul | 81. Tobago's |
| 34. Velvet Lounge | 82. Sam "K" Records |
| 35. Red's Fish | 83. Jackson Hewitt |
| 36. Cingular | 84. Suman West African Restaurant |
| 37. Liberty Gas | 85. Marguerite Hair Braiding |
| 38. Tantalizing Treasures Thrift Store | 86. Mecca Perfume |
| 39. Monserrat House Culture Shop | 87. Cousin's Communications |
| 40. Jerome Management (Second Floor) | 88. Cousin's Pawn Shop |
| 41. Mid City Carpet | 89. City Care Medical Supplier |
| 42. Wing It | 90. Slain & Hands |
| 43. Saloma Ethiopian Restaurant | 91. Funeral Home |
| 44. Club Hollywood | 92. Quick Hardware |
| 45. Joe's Restaurant | 93. Ola Olumo Carry Out |
| 46. Axum Ethiopian Restaurant | 94. Trans Atlantic Motor |
| 47. Sodere Ethiopian Restaurant | 95. Café Mawonaj |
| 48. Expo Restaurant | |

Retail

As a part of the BAE consultant team, StreetSense conducted interviews with representative retailers throughout the study area in order to understand the existing conditions, opportunities and impediments to placing retailers in the Uptown Destination Study Area. This analysis included conclusions about the potential customer base and level of supportable retail within the area. StreetSense provided recommendations for the appropriate type and amount of retail captured in the neighborhood beginning with a present-day demand assessment and projecting that demand for the next five to ten years. A complete copy of this analysis is provided in Appendix B.

Within this neighborhood, two different retail districts are emerging around each Metro station. At the U Street/African-American War Memorial/Cardozo station's 13th Street entrance, new ground-floor retail development will supplement with the neighborhood's restaurant (and cultural) institution, Ben's Chili Bowl. The limited retail around Shaw/Howard University Station at 7th and S Streets, NW responds to the demands of the university and hospital, while struggling with crime and maintenance issues.

Retail supply and demand for Uptown were studied based on the following three general retail categories:

- **Personal Service and Convenience Goods.** This category includes almost every retailer associated with daily or weekly errands, such as tailors, newsstands, dry cleaners, salons, convenience stores, drugstores, grocery stores, and similar.
- **Restaurant, Café, and Take-Away Food Establishments.** This category includes sit-down restaurants, cafes, quick bite or take-away food establishments, coffee shops, bakeries, and similar.
- **General Merchandise, Apparel, Furnishings and Other Retail.** This category includes shops where tangible items can be purchased such as clothing, furniture, appliances, electronics, books, and similar.

In the Uptown Destination District project area, total occupied retail space focused along U Street, 7th Street, Florida Avenue, and 9th Street totals approximately 116,800 square feet¹. This amount is distributed among the following categories:

- 26,950 square feet of Personal Service and Convenience Goods.
- 53,550 square feet of Restaurants, Café, and Take-Away Food Establishments.

¹ StreetSense Site Survey, DC Office of Planning and Development GIS maps.

- 36,300 square feet of General Merchandise, Apparel, Furnishings & Other Retail.

Currently, approximately 31,250 square feet is vacant. Of the available vacant space, approximately 50 percent will not be competitive for new retail leases, due to poor condition or poor configuration.

Retail demand for Uptown is generated by several different sources: resident demand, employee demand, and local attraction demand.² The cumulative demand by potential customers equals approximately 247,300 square feet. As the current retail supply for Uptown is almost half this amount, it can be reasonably assumed that forces other than market demand are negatively impacting the retail condition in this neighborhood.

Table 4: Total Unmet Retail Demand

Category	Resident Demand	Employee Demand	Local Attraction Demand	Total Retail Demand	Total Existing Retail	Total Unmet Retail Demand
Personal Service/ Convenience Goods Demand	65,001 sf	4,113 sf	n/a	69,114 sf	26,950 sf	42,164 sf
Restaurant, Café and Take- Away Food Demand	71,972 sf	13,712 sf	19,587 sf	105,271 sf	53,500 sf	51,771 sf
General Merchandise, Apparel, Furnishings and Other Demand	45,145 sf	12,847 sf	14,922 sf	72,914 sf	36,300 sf	36,614 sf
TOTAL	182,118 sf	30,672 sf	34,509 sf	247,299 sf	116,750 sf	130,549 sf

SOURCE: Claritas, Inc (2004), Sites USA (2003), U.S. Census (2002), Consumer Expenditure Survey, Bureau of Labor Statistics (Third Quarter 2003), ICSC Monthly Mall Merchandise Sales Index (Fourth Quarter 2003), StreetSense, Inc.

² “Demand by square feet” is the total sales per square foot as recorded for each retail category in the International Council of Shopping Centers, Fourth Quarter 2003, Monthly Mall Merchandise Index. For Uptown, the total sales per square foot for each category was prorated due to the area’s urban and neighborhood conditions.

Office

Uptown Destination Study Area's office market lacks the unique assets necessary to compete with downtown and suburban Class A office space. The commercial market is fairly stable with rents between \$28 to \$34 per square foot. Obviously the office market is not as strong as the District's downtown market where commercial rents for Class A space averaged \$42.16 per square foot in the third quarter of 2003. The U Street office Study Area currently provides limited Class A- and B office space for the market with a few large signature office buildings, such as the True Reformer Building. The majority of the office tenants tend to be non-profit, government and neighborhood-serving businesses. There are a few clearly identifiable assets that may provide opportunities for major new office developments, including, for example, the current home of the District's Housing Finance Agency.

Institutional users and non-profit tenants represent the strongest market segment for new office space in the Uptown Destination Study Area. While the demand from such tenants is difficult to predict, the opportunities for locations with Metro access may attract selected non-profit organizations. These types of tenants typically require built to suit offices and provide landlords with long-term security. Institutional or non-profit tenants prefer locations with good access and are more likely to remain in a specific location in order to better serve repeat clients.

The majority of the area's existing office users do not require storefront space. The existing business inventory provided above indicates a large number of small medical space, real estate-related businesses and insurance offices. These businesses locate in the Study Area's existing office space for proximity to their clients in the nearby residential area and for affordable rents. Howard University and the District government also represent potential tenants for new office buildings in keeping with their interest in revitalizing the area.

Hotel

Washington DC ranks eighth among U.S. destinations for international and domestic visitors. In 2002 the District of Columbia hosted more than 17 million domestic visitors, which accounting for 9 million person-trips to District hotels and lodging facilities, according to the *Travel Industry Association of American's 2002 TravelScope* report. On average these hotel visitors stayed 3.3 nights. In recent years hotels have suffered from declining visitation levels due to the events of 9/11. Smith Travel Research's annual reporting on hotel occupancy indicates a decline from 72.9 percent in 2000 to 64.9 percent in 2003. The average

room rate for 2000 was \$149.45 compared with a 2003 estimated rate of \$147.99. In addition to the decrease in hotel occupancy and room rates, visitor spending declined to 2000 levels with a 2002 average expenditure of \$480 per party.

Hotels typically require locations with excellent access to major thoroughfares, local airports, employment centers, tourist attractions and large institutions. The District of Columbia certainly has many of the key elements necessary for hotel development. However, several other locations/neighborhoods within the district are more competitive for hotels based on their proximity to area amenities. While the Uptown Destination Study Area has good access, visibility and relative proximity to downtown employment centers, it does not yet provide many of the amenities sought by hotel guests and hotel developers. Thus, there are a limited number of hotels in the area and non in the immediate Study Area currently as the majority of lodging accommodations gravitate toward Downtown Washington and Dupont Circle. Within a 1- to 1.5-mile radius of the Uptown Destination Study Area, there are more than 60 hotels, ranging from a Red Roof Inn to the Crowne Plaza. This survey of competitive hotels in the region is provided in Table A-11.

Entertainment

PETR Productions provided a detailed analysis of the market potential for entertainment and cultural uses located on Square 0441. This analysis provides descriptions of comparable destination districts and assesses the strengths and weaknesses of the Uptown Destination district in comparison. The evaluation focuses on the reuse potential for the historic Howard Theatre and linkages to other cultural resources located in the Uptown Destination Study Area. This analysis is included as Appendix C.

PETR Production evaluated several entertainment options within each alternative development scenario for the publicly owned properties included in Square 0441. The entertainment options include the following listed below:

1. Renovate theater to its original condition (1,300 seats) and develop programming around its rich entertainment heritage (possibly operate as satellite to other performing arts center)
 - **Sub option A** - renovate with fewer seats (<500) and produce/present varied cultural programs

- **Sub option B** - renovate theater with more seats (>2,000), with expanded backstage support areas to enable a broader array of programming (requires adjacent properties)
2. Create a Community/Visitor Center that provides diverse programming to residents and a neighborhood orientation to visitors
 3. Renovate theater for a non-entertainment use (e.g., auditorium, conference center, evangelical or religious congregation, private event rental facility)
 4. Create a museum that celebrates the theater's history and musical heritage
 5. Create a mixed use facility that includes some combination of the following: Live performance theater, recording studio, food and beverage outlets, retail store, and small museum that celebrates cultural history
 6. Convert theater into a movie cineplex, with a minimum of two screens

In order to properly evaluate the different entertainment options, PETR Productions considered several important development objections and evaluation criterion, listed below.

1. Capitalizes and focuses on the theater's historical significance as a major venue for African American entertainers
2. Conforms to building's structural constraints and its designation as a National Historic Landmark that is located within an historic district
3. Is economically feasible (required investment and financing is met by operating cash flows)
4. Anchors proposed uptown destination district, thereby creating enhanced neighborhood activity and development
5. Attracts a diverse non-resident audience, and plays a prominent role in the community's art and cultural life
6. Lives in harmony with the Lincoln Theater
7. Minimizes environmental impact on surrounding area (e.g., parking, traffic congestion, loading/servicing, and noise)

The mixed-use entertainment facility reuse option for the Howard Theatre met with general community support, while achieving financial success. For the purposes of this analysis, PETR Productions estimated a total of 400 seats for this option with a maximum capacity of 600 individuals (these are mutually exclusive counts), totaling 18,000 square feet in total. While only the final design of such a reuse option will determine total capacity, these counts give a good approximation.

IV. THE COMPETITIVE MARKET

Housing Competition

While the Study Area offers a large potential source of market demand for housing and office uses, it should be noted that Square 0441 is only one of many competing locations available to capture that demand. To evaluate competitive real estate supply within this large Study Area, BAE focused on new development projects within the competitive subareas, including District locations where newer development has occurred.

The Uptown Destination Study Area benefits from trends toward increased demand for housing in the District's historic neighborhoods with good access to Downtown Washington. Demographic trends toward a greater number of singles, childless couples and empty nesters, who are not concerned about public schools, coupled with ever-increasing traffic congestion in suburban locations have boosted demand for in-city living. Rapid price escalation in more established neighborhoods (e.g., Dupont Circle, Adams Morgan and Capitol Hill) has led prospective homebuyers and renters to consider other neighborhoods. Recent sales of single-family detached and attached houses in Columbia Heights range in price from \$250,000 to \$450,000. Howard University, in partnership with Fannie Mae, has renovated historic rowhouses and is building new in-fill townhouses in the LeDroit Park neighborhood. These units, priced to be affordable to Howard University faculty and staff, are currently selling for \$250,000 to \$400,000 on the high end. All of these factors helped private investors realize great gains in the residential market. There are many examples throughout LeDroit Park, Columbia Heights and Shaw neighborhoods of private investors purchasing rowhomes for \$195,000, investing an additional \$100,000 in renovations and selling these homes for \$400,000.

With increasing sale prices and rents, private developers are now venturing into new neighborhoods for housing renovations and new construction. For new quality apartments, condominiums and townhouses and renovated rowhouses, the Uptown-Destination Study Area competes with Columbia

Heights, other parts of Shaw and other Metro station areas along the Green Line as well as certain Northeast neighborhoods.

In the downtown neighborhood several different residential developments continue to drive the luxury condominium market. The redevelopment of the Mather Building and conversion to condominium units demonstrated the strength of the residential market with the costly redevelopment of this historic structure. The Lexington North located at 8th and E Street and Summit Grand Parc just two blocks from the White House are prime examples of the successful residential developments in downtown D.C.

The Shaw and U Street neighborhood has many new housing development projects; one of the earliest redevelopments was Harrison Square with for-sale townhouses built on the old Children's Hospital site at 13th and W Streets, NW. This project helped to prove the area's potential appeal to homebuyers. Two separate Donatelli & Klein developments under construction are mixed-use projects with large residential components. The Donatelli & Klein development at 13th and U Streets, Ellington Plaza, includes a 186-unit apartment complex with 15,000 square feet of retail and underground parking, totaling \$44 million in private investment. The Georgia Avenue/Petworth Metro station site located at Georgia and New Hampshire Avenue being developed by Donatelli & Klein includes more than 100 units of residential and 17,000 square feet of retail.

Commercial Competition

Of the 4.9 million square feet of commercial space under construction in the District, only 44 percent is pre-leased – a reduction from 56 percent a year ago, according to Delta Associates.

As an urban commercial district, Uptown Destination Study Area offers close proximity to downtown DC and extensive access to public transportation. As such, it competes most directly with other community business districts located near Washington's Metro stations as well as suburban malls in Maryland and Virginia. In the Northwestern section of DC, the primary competition comes from Columbia Heights, Adams Morgan and, to a lesser degree, Georgia Avenue.

After decades of work to revitalize the neighborhood following the 1968 riots, Columbia Heights is on the verge of significant commercial development. The Tivoli Square redevelopment project located on 14th Street is planned to include a new Giant supermarket and additional streetfront shops for a total of 96,000 square feet of retail space. The DC USA project on 14th Street between Park and Irving is proposed to include 546,000 square feet of retail space, anchored by a 165,000 square-foot Target discount department store. Other pending residential development projects propose to include an additional 73,000 square feet of first-floor retail space.

Howard University has developed a cluster of retail shops on campus along Georgia Avenue, anchored by the Howard University Bookstore. A partnership between Trammell Crow and Hagans Development Company plans to develop the Howard Town Center to include neighborhood-serving retail with a grocery store and the relocation of an existing CVS Pharmacy, as well as housing.

The Uptown Destination Study Area is anchored by the strength of the U Street retail corridor from 16th Street eastward to 9th Street. This developing base of successful retail can be attributed to the recent opening of the Metro Green Line stations. Restaurants, clubs and boutiques are serving the area's growing residential population and consumers from around the metropolitan area.

Within the Uptown project area, two areas are becoming identifiable potential retail districts. The first of these stretches along U Street and terminates at its east end at 10th Street. The second retail district extends along 7th Street from R to V Streets.

Hotel Competition

Hotels rely on both business and pleasure trips to generate high occupancy levels. A hotel's success depends on proximity to employment centers, proximity to attractions and amenities, and the quality of the facility and its maintenance. While the U Street/Shaw neighborhood provides many of these

necessary location requirements, it lacks the strong competitive advantages of downtown hotel locations for capturing the average tourist. The D.C. tourism market centers around the multitude of attractions in the nation's capital and tourists are not likely to venture outside the downtown for accommodations without significant cost savings.

Meeting a tourist's price point may prove difficult for an Uptown Destination Study Area hotel as the cost of building and operating a newly built hotel requires high levels of monthly income based on reaching standard occupancy goals and charging appropriate room rates.

V. MARKET POTENTIALS

The long-term economic health of the U Street/ Shaw community depends on its ability to support and retain a diverse mix of households and strong business district along U Street. Homeowners attracted to the area invest in the community by purchasing a home and spending at local businesses. With their house as their largest investment and a major component of their wealth, homeowners have a direct financial interest in improving conditions in the neighborhood and maintaining the existing local businesses. This stable residential base, coupled with the consumer expenditure potential of Howard University's student population (8,000) and Howard Hospital employees (more than 2,500 total staff), attracts and supports retail and service businesses at both ends of the Uptown Destination Study Area.

The Uptown Destination Study Area benefits from a supply of sound housing worthy of renovation. However, the safety of the neighborhood after dark and the abundance of unsightly trash concerns residents. In particular, daytime and evening loitering, drug dealing and drug use surrounding the 7th Street, Florida Avenue and U Street intersection discourages continued retail investment and residential development.

Planned Public and Private Sector Developments

The District of Columbia and National Capital Revitalization Corporation plan to offer several sites, including properties on S Street at 7th Street and at Rhode Island and 7th Street. NCRC owns several key parcels in the Uptown Destination Study Area. It plans to redevelop each of its properties by offering the property fee-simple to private developers or with a joint development agreement. Washington Metropolitan Area Transit Authority (WMATA) recently leveraged redevelopment on the site above the U Street/Cardozo Metro station with office development for a District government agency. In 2002, WMATA offered two parcels on the northeast corner of 14th and V Street, N.W. for developer proposals. The Public Welfare Foundation recently moved into the

restored True Reformer office building. These plans and several other prospective government developments demonstrate the public-sector commitment to the redevelopment and revitalization of the Uptown Destination District.

Eakin/Youngentob Associates along, with Donatelli & Klein, recently built Harrison Square at 13th and W streets, N.W. The JBG Company built Sovereign Circle, a 170-unit apartment building on 13th and N streets, with rents ranging from \$1,510 for a one- bedroom unit to upwards of \$3,000 for two bedrooms. P N Hoffman is in the process of completing 100 condominiums on the corner of 14th and V streets, N.W. The Ellington, an eight-story, 190-unit residential building at the corner of 13th and U streets, NW, recently began renting units and expects the project to be completed by the end of the year. Residential units at the Ellington rent for \$1,315 a month for a one-bedroom unit to \$3,050 a month for a two-bedroom with den. The Woodrow Wilson development on the 1900 block of 12th St., N.W., includes two- and three-bedroom townhouses selling for \$650,000 to nearly \$1 million each.

Residential Potentials

In recent years, opening of Metro's Green Line stations coupled with successful redevelopment of residential properties within the LeDroit Park neighborhood (attributed to assistance from Howard University and Fannie Mae) and along the U Street corridor from 16th Street eastward toward 9th Street greatly improved the residential marketplace. Residential demand shifts based on the perceived "value" of a development, which is based on the quality of construction and amenities offered as well as neighborhood conditions. The recent upsurge in new or redeveloped residential in the study area can be attributed to the improving conditions in the U Street retail strip, opening of the area Metro stations and Howard University's commitment to revitalizing the neighborhood.

Condominiums

Current low interest rates and the high price of single-family housing in the District of Columbia have increased the demand for lower-priced condominium ownership units. Although the market for condominiums in the Uptown Destination Study Area has only a few examples of success to date, the experience in other similar emerging neighborhoods indicates that the market can support new residential condominium apartments. Prices change significantly based on the market's perception of an area as clean and safe. Full redevelopment of Square 0441 and close proximity of residential development to a Metro station will support condominium units with pricing from \$450 to \$500 per square foot. This would result in sale prices for a one-bedroom unit between \$375,000 and \$425,000 and for a two-bedroom unit between \$445,000 and \$475,000 for market-rate units. Condominium units developed off Square 0441 prior to major redevelopment and revitalization efforts for the surrounding area will command lower prices ranging from \$340 to \$440 per square foot, resulting in sales prices of \$330,000 to \$357,000.

Absorption estimates for the Uptown Destination Study Area are based on the recent sales performance of projects in Columbia Heights and along U Street. These projects include Ellington Plaza, Langston Lofts, 2020 Lofts, Lincoln Center and other area condominiums. Potential absorption for condominiums will shift due to the current supply of units and proposed condominium developments that will come online over the next several years. It is anticipated that during the first few years of development absorption for condominium units will range from 14 to 18 percent, resulting in 150 to 200 new units annually. **Demand could support a total of 815 units over the five-year period from 2005 to 2009 with a decline in absorption during years four and five.**

Rental Apartments

In a rising interest rate market, some households who were once able to purchase condominiums can no longer afford to become owners and instead rely on rental housing units. Over the next five years, the potential for an increase in

interest rates is likely given historically low current rates. As rates increase, the condominium market will weaken; giving rise to higher demand for rental housing.

Within the Downtown, the glut of luxury high-rise rental developments has resulted in conversions to condominiums. That balance may shift back to the rental market. Based on comparison to the rents for projects listed in Table A-7 and the current excess supply of luxury apartments in and near downtown, newly constructed apartments in the Uptown Destination Study Area could support monthly residential rents ranging from \$1.75 to \$1.95 per square foot without enhanced development or revitalization of the surrounding area.

Newly developed or renovated housing in close proximity to the Metro station areas and other key development sites near a critical mass of successful businesses may attract higher rents. Uptown Destination Study Area residential development located less than one-quarter mile from the Metro stations or within a block of U Street's thriving business corridor could command monthly rents ranging from \$1.85 to \$2.10 per square foot.

Within the District of Columbia, the rental housing market continues to struggle due to the overbuilt mid- to high-end multi-family supply. The ERA market report indicated that the Convention Center Study area would capture 15 percent of the overall development activity for multifamily housing construction with between 336 to 615 units. Uptown Destination Study Area could capture between 11 to 12 percent of new market-rate multi-family construction, equivalent to 160 to 320 units over the next 10 years. Unfortunately, the cost to build rental units exceeds the investment justified by the potential revenue generated by the rents. Based on Bay Area Economics work on the Georgia Avenue Petworth Metro Station Area Corridor and discussion with area developers a market rate rental project without significant subsidy would not be feasible due to current market conditions. Therefore, potential market-rate rental housing construction will be limited until rents increase.

Affordable Housing

The District of Columbia residential real estate market is one of the most expensive in the entire nation. The rapid price appreciation makes it difficult for working families to afford home ownership. The high price of land within the District, combined with the high cost of construction, prices out many of the low-income residents currently renting in the Uptown Destination Study Area. Additional affordable housing will need to be a key part of the housing development strategy for the project area.

These affordable housing units base their rents or sale prices on the Area Median Income (AMI), currently estimated at \$85,400 (family of four, as of January 2004) for the Washington Metropolitan Area. HUD defines housing affordability as spending no more than 30 percent of one's income for housing. For an extremely-low-income (30 percent of AMI) family of four with an annual income of less than 30 percent of AMI, the maximum affordable rent is \$600 per month including utilities. The selected rental inventory identified no local apartment complexes with an average rent for a two-bedroom unit within the reach of extremely-low-income households.

The very-low-income family of four earning 30 to 50 percent of AMI can afford to pay no more than \$1,100 per month, including utilities. A low-income family of four earning 50 to 80 percent of AMI could afford no more than \$1,400 per month. At the high end of this income range, housing is available; however, occupancies are very high, making it difficult to find a good-quality apartment.

For home-ownership units, affordable prices for the very-low-income (50 percent of AMI) three-person household are approximately \$123,000, based on a 90-percent 30-year mortgage at an interest rate of 6.5 percent (see Table A-12). A low-income (50 to 80 percent of AMI) family of three could afford to purchase a home at \$147,000 compared with \$191,000 for the same-sized family at 81 to 100 percent of AMI. Thus, an affordable two-bedroom condominium may entail a subsidy of \$200,000 or more per unit.

Commercial Potentials

Retail

Given the size of the study area, it is important to consider retail potentials within each of the two retail districts separately. These two retail districts include the clustering of retail at the western end of the retail district along U Street from 13th to Vermont Avenue and the 7th Street/Georgia Avenue commercial activity. To inform this analysis, expenditure potentials were estimated for residents of the Uptown Destination Study Area. StreetSense analyzed the expenditures of residents of three submarket areas defined by radii extending one-quarter mile, one-half mile and one-mile from the midpoint of the intersection of 9th and U Street, NW.

The merchandising mix along U Street from 13th Street to 10th Street should be a continuation of the retail success further to the west on U Street and on 14th Street. As new retail development continues around the U Street/African American Civil War Memorial/ Cardozo Metro station, the area will become more recognizable as a coherent retail location. Leasing efforts in this area should focus on uses that serve residents and employees alike, such as quick-bite food. It should also provide opportunities for small shops that cannot afford 14th Street rents, yet want to benefit from proximity to its retailers.

The following retail merchandising mix and totals are recommended for U Street from 13th to 10th Streets:

- Approximately 3,000 – 5,000 square feet of Personal Service and Convenience Goods.
- Approximately 15,000 – 20,000 square feet of Restaurant, Café and Take-Away Food.
- Approximately 20,000 - 25,000 square feet of General Merchandise, Apparel, Furnishings and Other.

Rents for this area will vary based on location, condition of retail space and the level of tenant interest. However, triple net rents (which exclude operating expenses such as utilities janitorial and real estate taxes) and between

\$25.00 and \$35.00 per square foot are likely based on development costs. Tenant improvement allowances are unlikely, and landlord build-out is more probable for a retail lease at this location.

There is a significant difference between the retail rental rates the market will bear and the rents current Uptown Destination District merchants can afford to pay. While the market continues to drive rents up as more desirable locations become available and new residents move into the area, existing retailers can afford to pay current rental rates which range from \$18 to \$22 per square foot, well below the higher rents required and anchored in new buildings. These merchants may be priced out of the area without assistance.

If 7th Street's safety and maintenance issues can be resolved, this area has the potential to flourish as a restaurant destination. The renovation of the Howard Theatre and/or addition of an arts event use on Square 0441 will greatly enhance the attractiveness of this area as a dining district.

Several neighborhood goods and services retailers are already located near the intersection of 7th Street and Florida Avenue, including a florist, a hair salon, a hardware store and a drugstore. If plans to move the CVS to Howard Town Center proceed, a civic use, such as a relocated post office, would impact the ability of this area to support additional neighborhood-oriented goods and services.

This neighborhood-serving retail district should include the 9th Street retail area. From a planning perspective, consider the renovation of T Street between 7th Street and Florida Avenue for possible redevelopment as a restaurant zone. Because of its physical configuration, its isolation from foot and vehicular traffic, and the costs associated with correcting each of these conditions, Wiltberger Street is not a suitable location for this restaurant row.

The following retail merchandising mix and totals are recommended for 7th Street from R to V Streets, and along Florida Avenue between Vermont Avenue and 7th Street:

- Approximately 3,000 - 5,000 square feet of Personal Service and Convenience Goods, with the potential for up to 7,000 additional square feet with the introduction of a retail-oriented civic use (post office, library branch, etc.).
- Approximately 30,000 - 35,000 square feet of Restaurant, Café and Take-Away Food (with the potential for an additional 4,000 square feet for Square 0441 and 14,000 square feet).
- Approximately 12,000 - 15,000 square feet of General Merchandise, Apparel, Furnishings and Other (with the potential for an additional 2,000 square feet for Square 0441 and 8,000 square feet).

Rents for the 7th Street retail will also vary based on location, condition of retail space and the level of tenant interest. Triple net rents will range between \$18.00 and \$27.00 per square foot. Tenant improvement allowances are also unlikely at this location, and landlord build-out is a much more probable provision of a retail lease.

Office

In the near-term, office space demand within the Uptown Destination Study Area will likely be generally limited to government, institutions, non-profits and more local-serving office space for physicians and dentists, insurance and real estate agents, and other small businesses. Such local-serving tenants typically need spaces of 1,000 to 10,000 square feet and often prefer street-front locations. The neighborhood-serving businesses already located within the Uptown Study Area will continue to serve the community and demand second-floor or other smaller office spaces primarily along the U Street and Florida Avenue corridor.

Over the longer term (10 years or more), the availability for office tenants may grow to include those interested in locating near the entertainment and cultural resources of the area. With significant redevelopment and the location of other signature office tenants, the area may attract sizeable office tenants interested in built-to-suit locations near the Metro station.

In the Convention Center area market study, ERA concluded that the market could support approximately 150,000 square feet of scattered-site office space. It is assumed that the majority of this space will be located in close proximity to the Convention Center. Commercial rents vary from block to block and building to building, depending greatly on the age, condition and configuration of the building and thus the pricing may dramatically impact the area's ability to attract these office users from buildings nearby to the Convention Center. Office tenants unable to afford downtown or Convention Center pricing may opt to rent office space in the Uptown Destination Study Area. Pre-construction commitments by such major tenants as the District government and Howard University could help support new office development.

Hotel

The Uptown Destination Study Area cannot support the development of a hotel due to the constraints of the current market conditions. The past failures of hotel ventures, such as the Howard Inn, illustrate the need to merge business and institutional hotel demand with significant tourist and visitor potential from the surrounding residential neighborhood. In the long term, with the area's development as an enhanced entertainment district with new amenities, a new hotel with 100 to 200 rooms could be supported.

APPENDIX TABLES

APPENDIX A

	Block Group 3400.4				Block Group 3500.2				Block Group 4400.1			
	1990		2000		1990		2000		1990		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner occupied:												
1 person	48	36.1%	68	35.1%	6	30.0%	8	38.1%	45	35.4%	74	42.3%
2 persons	27	20.3%	61	31.4%	10	50.0%	7	33.3%	31	24.4%	53	30.3%
3 persons	24	18.0%	28	14.4%	1	5.0%	1	4.8%	18	14.2%	18	10.3%
4 persons	11	8.3%	18	9.3%	1	5.0%	0	0.0%	13	10.2%	14	8.0%
5 persons	11	8.3%	9	4.6%	1	5.0%	2	9.5%	4	3.1%	9	5.1%
6 persons	2	1.5%	6	3.1%	0	0.0%	2	9.5%	4	3.1%	3	1.7%
7 or more persons	10	7.5%	4	2.1%	1	5.0%	1	4.8%	12	9.4%	4	2.3%
Total	133	100.0%	194	100.0%	20	100.0%	21	100.0%	127	100.0%	175	100.0%
Renter occupied:												
1 person	95	52.2%	87	37.7%	228	65.9%	201	69.6%	38	27.1%	119	44.1%
2 persons	41	22.5%	51	22.1%	44	12.7%	38	13.1%	29	20.7%	95	35.2%
3 persons	16	8.8%	33	14.3%	21	6.1%	11	3.8%	22	15.7%	24	8.9%
4 persons	14	7.7%	23	10.0%	19	5.5%	11	3.8%	21	15.0%	16	5.9%
5 person	8	4.4%	17	7.4%	14	4.0%	15	5.2%	16	11.4%	8	3.0%
6 persons	3	1.6%	10	4.3%	9	2.6%	8	2.8%	5	3.6%	4	1.5%
7 or more persons	5	2.7%	10	4.3%	11	3.2%	5	1.7%	9	6.4%	4	1.5%
Total	182	100.0%	231	100.0%	346	100.0%	289	100.0%	140	100.0%	270	100.0%
	Block Group 4400.2				Block Group 4801.2				Block Group 4901.1			
	1990		2000		1990		2000		1990		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner occupied:												
1 person	45	33.8%	120	35.3%	38	30.9%	71	28.9%	16	22.2%	36	33.6%
2 persons	45	33.8%	107	31.5%	36	29.3%	77	31.3%	24	33.3%	40	37.4%
3 persons	16	12.0%	50	14.7%	17	13.8%	47	19.1%	14	19.4%	15	14.0%
4 persons	11	8.3%	33	9.7%	14	11.4%	23	9.3%	9	12.5%	8	7.5%
5 persons	11	8.3%	20	5.9%	8	6.5%	13	5.3%	2	2.8%	5	4.7%
6 persons	3	2.3%	6	1.8%	1	0.8%	11	4.5%	2	2.8%	2	1.9%
7 or more persons	2	1.5%	4	1.2%	9	7.3%	4	1.6%	5	6.9%	1	0.9%
Total	133	100.0%	340	100.0%	123	100.0%	246	100.0%	72	100.0%	107	100.0%
Renter occupied:												
1 person	75	37.7%	145	40.4%	190	60.9%	243	65.1%	123	33.2%	118	33.3%
2 persons	44	22.1%	97	27.0%	58	18.6%	62	16.6%	96	25.9%	98	27.7%
3 persons	33	16.6%	53	14.8%	21	6.7%	28	7.5%	66	17.8%	65	18.4%
4 persons	10	5.0%	27	7.5%	12	3.8%	20	5.4%	46	12.4%	43	12.1%
5 person	13	6.5%	18	5.0%	11	3.5%	12	3.2%	22	5.9%	15	4.2%
6 persons	9	4.5%	11	3.1%	8	2.6%	3	0.8%	9	2.4%	8	2.3%
7 or more persons	15	7.5%	8	2.2%	12	3.8%	5	1.3%	8	2.2%	7	2.0%
Total	199	100.0%	359	100.0%	312	100.0%	373	100.0%	370	100.0%	354	100.0%

Sources: 1990 & 2000 U.S. Census; Bay Area Economics, 2004.

Table A-3 : Household Income Distribution by Census Block Group for the Uptown Destination District Study Area, 1990-2000

Income Range	3400.4				3500.2				4400.1			
	1990		2000		1990		2000		1990		2000	
	Households	Percent of Total	Households	Percent of Total	Households	Percent of Total	Households	Percent of Total	Households	Percent of Total	Households	Percent of Total
Less than \$15,000	90	26.8%	132	30.3%	299	82.8%	228	70.6%	27	12.3%	108	24.2%
\$15,000 - \$24,999	36	10.7%	65	14.9%	21	5.8%	57	17.6%	38	17.4%	64	14.3%
\$25,000 - \$34,999	66	19.6%	23	5.3%	6	1.7%	13	4.0%	21	9.6%	51	11.4%
\$35,000 - \$49,999	110	32.7%	93	21.4%	6	1.7%	15	4.6%	60	27.4%	74	16.6%
\$50,000 - \$74,999	6	1.8%	79	18.2%	29	8.0%	5	1.5%	52	23.7%	94	21.0%
\$75,000 - \$99,999	24	7.1%	20	4.6%	-	0.0%	5	1.5%	7	3.2%	28	6.3%
\$100,000 - \$149,999	4	1.2%	23	5.3%	-	0.0%	-	0.0%	-	0.0%	22	4.9%
\$150,000 or more	-	0.0%	-	0.0%	-	0.0%	-	0.0%	14	6.4%	6	1.3%
Total Households	336	100.0%	435	100.0%	361	100.0%	323	100.0%	219	100.0%	447	100.0%

Income Range	4400.2				4801.2				4901.1			
	1990		2000		1990		2000		1990		2000	
	Households	Percent of Total	Households	Percent of Total	Households	Percent of Total	Households	Percent of Total	Households	Percent of Total	Households	Percent of Total
Less than \$15,000	80	25.9%	97	15.4%	207	50.1%	217	34.6%	241	48.8%	258	50.7%
\$15,000 - \$24,999	50	16.2%	88	13.9%	42	10.2%	104	16.6%	105	21.3%	82	16.1%
\$25,000 - \$34,999	48	15.5%	55	8.7%	45	10.9%	57	9.1%	29	5.9%	32	6.3%
\$35,000 - \$49,999	50	16.2%	74	11.7%	19	4.6%	117	18.7%	61	12.3%	25	4.9%
\$50,000 - \$74,999	72	23.3%	111	17.6%	57	13.8%	81	12.9%	32	6.5%	74	14.5%
\$75,000 - \$99,999	-	0.0%	68	10.8%	24	5.8%	29	4.6%	26	5.3%	6	1.2%
\$100,000 - \$149,999	9	2.9%	82	13.0%	6	1.5%	13	2.1%	-	0.0%	22	4.3%
\$150,000 or more	-	0.0%	56	8.9%	13	3.1%	9	1.4%	-	0.0%	10	2.0%
Total Households	309	100.0%	631	100.0%	413	100.0%	627	100.0%	494	100.0%	509	100.0%

Note: 1990 incomes are as of 1989 dollars, 2000 incomes are as of 1999 dollars

Sources: 1990 & 2000 Census; Bay Area Economics, 2004.

Table A-4: Household Income Distribution Uptown Destination Circles Around 800 Florida Avenue

Estimated Income	Quarter Mile Radius				Half Mile Radius				Mile Radius			
	1990	Percent of Total	2002	Percent of Total	1990	Percent of Total	2002	Percent of Total	1990	Percent of Total	2002	Percent of Total
Less than \$15,000	374	46.6%	272	32.4%	1,922	44.7%	1,316	30.0%	10,182	31.8%	5,690	16.9%
\$15,000 to \$24,999	111	13.8%	77	9.2%	683	15.9%	490	11.2%	6,432	20.1%	3,746	11.1%
\$25,000 to \$34,999	89	11.1%	44	5.2%	517	12.0%	393	9.0%	4,711	14.7%	3,851	11.4%
\$35,000 to \$49,999	106	13.2%	127	15.1%	551	12.8%	635	14.5%	4,492	14.0%	5,045	15.0%
\$50,000 to \$74,999	93	11.6%	116	13.8%	385	8.9%	597	13.6%	3,437	10.7%	6,378	19.0%
\$75,000 to \$99,999	15	1.9%	82	9.8%	136	3.2%	356	8.1%	1,490	4.6%	3,478	10.3%
\$100,000 to \$149,999	9	1.1%	101	12.0%	70	1.6%	435	9.9%	960	3.0%	3,169	9.4%
\$150,000 and over	5	0.6%	20	2.4%	38	0.9%	167	3.8%	342	1.1%	2,282	6.8%
Total	802	100.0%	839	100.0%	4,302	100.0%	4,389	100.0%	32,046	100.0%	33,639	100.0%
Median Income	\$17,500		\$38,984		\$18,595		\$34,848		\$23,918		\$44,452	

Sources: Claritas, 2004; BAE, 2004.

Table A-5: Occupied Housing Stock Composition by Tenure, 2000

Uptown Destinatinon Study Area	Total	Percent of Total	Owner		Renter	
	Occupied Units		Number	Percent of Total	Number	Percent of Total
Single-Family Detached	153	5.2%	81	52.9%	72	47.1%
Single-Family Attached	1,286	43.7%	850	66.1%	436	33.9%
Multi-Family 2-4 Units	398	13.5%	104	26.1%	294	73.9%
Multi-Family 5+ Units	1,105	37.6%	32	2.9%	1,073	97.1%
Mobile Homes & Other	-	0.0%	-	0.0%	-	0.0%
Total	2,942	100.0%	1,067	36.3%	1,875	63.7%
Block Group 3400.4						
Single-Family Detached	36	8.4%	21	58.3%	15	41.7%
Single-Family Attached	225	52.6%	135	60.0%	90	40.0%
Multi-Family 2-4 Units	42	9.8%	-	0.0%	42	100.0%
Multi-Family 5+ Units	125	29.2%	4	3.2%	121	96.8%
Mobile Homes & Other	-	0.0%	-	0.0%	-	0.0%
Total	428	100.0%	160	37.4%	268	62.6%
Block Group 3500.2						
Single-Family Detached	-	0.0%	-	0.0%	-	0.0%
Single-Family Attached	22	6.8%	-	0.0%	22	100.0%
Multi-Family 2-4 Units	19	5.9%	19	100.0%	-	0.0%
Multi-Family 5+ Units	282	87.3%	5	1.8%	277	98.2%
Mobile Homes & Other	-	0.0%	-	0.0%	-	0.0%
Total	323	100.0%	24	7.4%	299	92.6%
Block Group 4400.1						
Single-Family Detached	36	8.1%	15	41.7%	21	58.3%
Single-Family Attached	260	58.7%	155	59.6%	105	40.4%
Multi-Family 2-4 Units	61	13.8%	-	0.0%	61	100.0%
Multi-Family 5+ Units	86	19.4%	-	0.0%	86	100.0%
Mobile Homes & Other	-	0.0%	-	0.0%	-	0.0%
Total	443	100.0%	170	38.4%	273	61.6%
Block Group 4400.2						
Single-Family Detached	24	3.5%	8	33.3%	16	66.7%
Single-Family Attached	420	61.7%	306	72.9%	114	27.1%
Multi-Family 2-4 Units	130	19.1%	34	26.2%	96	73.8%
Multi-Family 5+ Units	107	15.7%	-	0.0%	107	100.0%
Mobile Homes & Other	-	0.0%	-	0.0%	-	0.0%
Total	681	100.0%	348	51.1%	333	48.9%
Block Group 4801.2						
Single-Family Detached	30	4.4%	15	50.0%	15	50.0%
Single-Family Attached	286	42.0%	202	70.6%	84	29.4%
Multi-Family 2-4 Units	110	16.2%	30	27.3%	80	72.7%
Multi-Family 5+ Units	171	25.1%	-	0.0%	171	100.0%
Mobile Homes & Other	-	0.0%	-	0.0%	-	0.0%
Total	597	87.7%	247	41.4%	350	58.6%
Block Group 4901.1						
Single-Family Detached	27	4.0%	22	81.5%	5	18.5%
Single-Family Attached	73	10.7%	52	71.2%	21	28.8%
Multi-Family 2-4 Units	36	5.3%	21	58.3%	15	41.7%
Multi-Family 5+ Units	334	49.0%	23	6.9%	311	93.1%
Mobile Homes & Other	-	0.0%	-	0.0%	-	0.0%
Total	470	69.0%	118	25.1%	352	74.9%

Sources: U.S. Census 2000; Bay Area Economics, 2004.

Table A-6: Age of Housing Stock

Year Built	3400.4		3500.2		4400.1	
	# of Units	Pct.	# of Units	Pct.	# of Units	Pct.
1999 to March 2000	18	3.0%	-	0.0%	152	22.8%
1995 to 1998	-	0.0%	-	0.0%	65	9.7%
1990 to 1994	8	1.3%	-	0.0%	7	1.0%
1980 to 1989	-	0.0%	5	1.5%	-	0.0%
1970 to 1979	45	7.5%	7	2.2%	6	0.9%
1960 to 1969	57	9.5%	159	49.2%	45	6.7%
1950 to 1959	71	11.9%	36	11.1%	114	17.1%
1940 to 1949	114	19.0%	42	13.0%	40	6.0%
1939 or earlier	286	47.7%	74	22.9%	238	35.7%
Total	599	100.0%	323	100.0%	667	100.0%

Year Built	4400.2		4801.2		4901.1		Uptown Destination Study Area	
	# of Units	Pct.	# of Units	Pct.	# of Units	Pct.	# of Units	Pct.
1999 to March 2000	-	0.0%	-	0.0%	-	0.0%	170	4.7%
1995 to 1998	-	0.0%	15	2.2%	-	0.0%	80	2.2%
1990 to 1994	15	1.9%	28	4.1%	16	3.1%	74	2.1%
1980 to 1989	11	1.4%	8	1.2%	14	2.8%	38	1.1%
1970 to 1979	24	3.0%	88	12.7%	119	23.4%	289	8.1%
1960 to 1969	76	9.5%	45	6.5%	83	16.3%	465	13.0%
1950 to 1959	25	3.1%	42	6.1%	102	20.1%	390	10.9%
1940 to 1949	22	2.8%	76	11.0%	7	1.4%	301	8.4%
1939 or earlier	627	78.4%	389	56.3%	167	32.9%	1,781	49.6%
Total	800	100.0%	691	100.0%	508	100.0%	3,588	100.0%

Sources: U.S. Census, 2000; Bay Area Economics, 2004.

Table A-7: Rental Survey for Competitive Areas Surrounding Uptown Destination Market Area

	Number	Floor					Rent Per		
Project/Address	of Units	Plans	Rental Rates		Square Feet		Square Foot		Parking
Alban Towers	229	1br/1ba	\$1,250	\$2,325	537	897	\$2.33	\$2.59	
3700 Massachusetts Ave, NW		2br/2ba	\$2,125	\$4,500	958	1,549	\$2.22	\$2.91	
Washington DC 20016		3br/3+ba		\$3,875		1,453		\$2.67	
Lansburgh, The	385	1br/1ba		\$1,650		N/A		N/A	
425 8th Street, NW		1br/1ba/1d		\$1,999		N/A		N/A	
Washington DC 20004		2br/2ba		\$2,349		N/A		N/A	
Lexington at Market Square	86	Studio	\$1,475	\$1,500	540	541	\$2.73	\$2.77	Parking on-site
400 8th Street, NW		1br/1ba	\$1,800	\$2,150	641	858	\$3.35	\$2.51	
Washignton DC, 20004		1br/1ba/1d		\$2,385		971		\$2.46	
		2br/1ba		\$2,565		812		\$3.16	
		2br/2ba	\$2,565	\$2,900	929	1,066	\$3.12	\$2.72	
Park Connecticut	142	1br/1ba		\$1,600		692		\$2.31	
4411 Connecticut Ave, NW		2br/2ba		\$2,350		1,205		\$1.95	
Washington DC 20008									
Gables Woodley Park	211	Efficiency		\$1,550		580		\$2.67	Parking on-site
2701 Calvert Street, NW		1br/1ba	\$1,775	\$1,832	716	772	\$2.56	\$2.37	one per apartment
Washington DC 20008		1br/1ba/1d	\$2,363	\$2,470	950	993	\$2.60	\$2.49	
		2br/2ba	\$2,815	\$3,374	1,057	1,236	\$3.19	\$2.73	
Summit Grand Parc	105	Efficiency		\$1,465		415		\$3.53	Garage Parking
910 15th Street, NW		1br/1ba	\$1,715	\$3,200	602	927	\$2.85	\$3.45	
Washington DC 20005		2br/1ba	\$2,645	\$10,500	920	2,184	\$2.88	\$4.81	
The Ellington	192	ir 1br/1ba	\$1,315	\$1,520		N/A		N/A	
1301 U Street, NW		1br/1ba	\$1,805	\$2,055		N/A		N/A	
Washington DC 20009		1br/1ba/1d	\$2,185	\$2,305		N/A		N/A	
		2br/2ba	\$2,235	\$2,735		N/A		N/A	
		2br/2ba/1d	\$2,550	\$3,050		N/A		N/A	
Avalon at Gallery Place	203	Studio		\$1,535	531	563	\$2.89	\$2.73	controlled
770 5th street, NW		1br/1ba		\$1,625	606	827	\$2.68	\$1.96	underground
Washington DC		1br/1ba/1d		\$2,745		1,246		\$2.20	access parking
866-477-6200		2br/2ba		\$2,675	1,044	1,478	\$2.56	\$1.81	
		3br/2ba		\$3,460		1,475		\$2.35	
		3br/2.5ba		\$4,100		1,972		\$2.08	
The Lofts at 1225	78	Studio		\$1,255	470	499	\$2.67	\$2.52	Garage Parking
1225 13th Street, NW		Loft/1.5ba		\$1,795	721	767	\$2.49	\$2.34	
Washington DC		Loft/1.5ba/1d		\$2,220	883	922	\$2.51	\$2.41	
		1br/1.5ba		\$2,320	637	893	\$3.64	\$2.60	
		1br/1.5ba/1d		\$1,615		704		\$2.29	
		2br/2ba		\$2,210	872	970	\$2.53	\$2.28	
The Hudson	84	1br/1ba		\$2,018	676	728	\$2.99	\$2.77	Garage Parking
1425 P street, NW		1br/2ba		\$3,118		1,090		\$2.86	
Washington DC		2br/2ba		\$2,998	1,040	1,092	\$2.88	\$2.75	
The Meridian at Gallery Place	462	Studio	\$1,420	\$1,575	561	812	\$2.53	\$1.94	Garage Parking
450 Massachusetts Avenue, NW		1br/1ba		\$1,570		820		\$1.91	1 car = \$125
Washington DC, 20001		1br/1ba/1d		\$2,070		940		\$2.20	2 cars = \$175
202-326-0000		2br/2ba	\$2,390	\$2,575	1034	1189	\$2.31	\$2.17	
The Jefferson at Penn Quarter	428	1br/1ba	N/A	N/A	486	846	N/A	N/A	Underground Parking
616 E street, NW		2br/2ba	N/A	N/A	1132	1255	N/A	N/A	
Washington, DC 20004		3br/2ba	N/A	N/A	1492	1652	N/A	N/A	
(202) 543-6222									
Sovereign Circle	170	Studio	\$1,175	\$1,795	382	600	\$3.08	\$2.99	Garage Parking
1300 N Street, NW		Studio/Den	\$1,175	\$1,795	478	960	\$2.46	\$1.87	
Washignton, DC 20005		1br/1ba	\$1,510	\$1,865	558	761	\$2.71	\$2.45	
		1br/1.5ba/den		\$2,625		1,093		\$2.40	
		2br/2ba	\$2,625	\$3,085	905	1,296	\$2.90	\$2.38	
Residences at Park Hyatt	85	1br/1ba	\$1,995	\$2,745	663	791	\$3.01	\$3.47	Garage,
1221 24th Street N.W.		2br/2ba	\$3,100	\$3,345		947	\$3.27	\$3.53	\$225 per spot
Washington, DC 20037									
Source: Internet and Phone Interviews: BAE 2004									

Table A-8: Single Family Residential Sales for Zip Code 20001 during September 2003

Address	Area	Zip Code	Sale Price	Square Feet	Price Per Square Feet	Bedrooms	Baths	Year
1710 3RD ST NW	Old City II	20001	\$50,953	2,398	\$21	4	2	
947 S ST NW	Old City II	20001	\$57,308	2,594	\$22	5	3	
2024 NORTH CAPITOL ST NW	LeDroit Park	20001	\$225,000	3,600	\$63	3	2	
48 K ST NW	R. L. A. NW	20001	\$150,000	2,112	\$71	3	2	
1013 V ST NW	Old City II	20001	\$80,000	1,100	\$73	3	1	
153 T ST NW	LeDroit Park	20001	\$200,000	2,727	\$73	3	2	
401 U ST NW	LeDroit Park	20001	\$100,000	1,027	\$97	3	1	1907
224 Q ST NW	Old City II	20001	\$200,000	1,969	\$102	6	2	1907
14 O ST NW	Old City II	20001	\$275,000	2,660	\$103	2	2	1907
27 T ST NW	Eckington	20001	\$299,000	2,593	\$115	3	1	1928
152 ADAMS ST NW	LeDroit Park	20001	\$255,000	2,205	\$116	3	2	1909
9 S ST NW	Eckington	20001	\$275,000	2,289	\$120	2	2	
44 ADAMS ST NW	LeDroit Park	20001	\$330,000	2,734	\$121	3	1	1912
156 U ST NW	LeDroit Park	20001	\$327,000	2,694	\$121	4	2	
306 T ST NW	LeDroit Park	20001	\$280,000	2,220	\$126	3	2	1907
2329 1ST ST NW	LeDroit Park	20001	\$450,000	3,561	\$126	4	2	1923
9 W ST NW	LeDroit Park	20001	\$290,000	2,292	\$127	1		1923
36 QUINCY PL NW	Eckington	20001	\$268,000	2,064	\$130	4	2	1907
51 W ST NW	LeDroit Park	20001	\$330,000	2,532	\$130	3	2	1913
15 RANDOLPH PL NW	Eckington	20001	\$320,000	2,451	\$131	3	1	
1555 9TH ST NW	Old City II	20001	\$328,000	2,497	\$131	4	3	
727 HARVARD ST NW	Heights	20001	\$175,000	1,323	\$132	3	1	1913
719 HARVARD ST NW	Heights	20001	\$175,000	1,272	\$138	3	1	1913
2711 11TH ST NW	Heights	20001	\$547,000	3,714	\$147	5	2	1912
226 ELM ST NW	LeDroit Park	20001	\$244,500	1,593	\$153	3	1	1906
5 RHODE ISLAND AV NW	LeDroit Park	20001	\$60,000	388	\$155	1	1	1911
1120 5TH ST NW	Old City II	20001	\$570,000	3,590	\$159	4	3	
605 RHODE ISLAND AV NW	Old City II	20001	\$299,990	1,877	\$160	1		
11 R ST NW	Eckington	20001	\$398,000	2,480	\$160	5	1	
137 THOMAS ST NW	LeDroit Park	20001	\$398,000	2,433	\$164	3	1	1909
2326 1ST ST NW	LeDroit Park	20001	\$566,500	3,448	\$164	5	2	1907
1722 4TH ST NW	Old City II	20001	\$270,000	1,641	\$165	4	3	
2112 10TH ST NW	Old City II	20001	\$365,000	2,160	\$169	7	2	1913
1628 3RD ST NW	Old City II	20001	\$385,900	2,244	\$172	3	1	1906
643 Q ST NW	Old City II	20001	\$289,900	1,626	\$178	4	3	1915
64 RHODE ISLAND AV NW	Eckington	20001	\$505,000	2,625	\$192	4	4	1920
51 P ST NW	Old City II	20001	\$375,000	1,939	\$193	2	2	1924
1616 4TH ST NW	Old City II	20001	\$280,000	1,419	\$197	2	2	
1521 9TH ST NW	Old City II	20001	\$170,000	847	\$201	1	1	
1243 5TH ST NW	Old City II	20001	\$295,000	1,392	\$212	3	1	
338 U ST NW	LeDroit Park	20001	\$375,900	1,764	\$213	3	2	1907
61 V ST NW	LeDroit Park	20001	\$499,900	2,226	\$225	3	1	1915
809 T ST NW	Old City II	20001	\$460,000	1,914	\$240	5	1	1910
433 WARNER ST NW	Old City II	20001	\$245,000	980	\$250	2	1	
1109 O ST NW #202	Old City II	20001	\$265,000	985	\$269	2	1	1998
1107 O ST NW #401	Old City II	20001	\$300,000	1,106	\$271	3	1	1998
913 S ST NW	Old City II	20001	\$736,000	2,625	\$280	4	2	
923 W ST NW	Old City II	20001	\$305,000	942	\$324	2	1	
2129 10TH ST NW	Old City II	20001	\$350,000	1,026	\$341	2	2	
980 FLORIDA AV NW	Old City II	20001	\$246,000	712	\$346	2	1	
2009 VERMONT AV NW	Old City II	20001	\$485,000	1,318	\$368	1	1	1910
			\$295,000	2,160	\$155	3	2	

Source: The Washington Post, www.realtor.com; Bay Area Economics, 2004.

Table A-9: Single Family Residential Sales for Zip Code 20001 and 20002 during October 2003

Address	Area	Zip Code	Sale Price	Square Feet	Price	Bedrooms	Baths	Year
					Per Square Feet			
512 M ST NW	Old City II	20001	\$750,000	3,358	\$223	6	3	
449 WARNER ST NW	Old City II	20001	\$455,000	1,692	\$269	4	4	
1525 8TH ST NW	Old City II	20001	\$422,680	2,869	\$147	5	4	
611 RHODE ISLAND AV NW	Old City II	20001	\$269,000	829	\$324	2	1	
401 T ST NW	LeDroit Park	20001	\$312,500	1,683	\$186	3	1	1910
412 RIDGE ST NW	Old City II	20001	\$301,000	1,518	\$198	2	1	
306 FLORIDA AV NW	Old City II	20001	\$315,000	2,152	\$146	4	2	
30 ADAMS ST NW	LeDroit Park	20001	\$425,000	3,519	\$121	3	1	1911
603 P ST NW	Old City II	20001	\$275,000	2,301	\$120	6	1	
613 RHODE ISLAND AV NW	Old City II	20001	\$249,500	885	\$282	2	1	
26 RANDOLPH PL NW	Eckington	20001	\$273,000	1,668	\$164	3	1	
1702 10TH ST NW	Old City II	20001	\$250,000	850	\$294	3	1	
939 O ST NW	Old City II	20001	\$585,000	2,281	\$256	4	2	
116 U ST NW	LeDroit Park	20001	\$450,000	2,940	\$153	3	3	1906
167 ADAMS ST NW	LeDroit Park	20001	\$380,000	2,046	\$186	1	1	
443 RHODE ISLAND AV NW	Old City II	20001	\$350,000	1,785	\$196	3	3	
3005 11TH ST NW	Heights	20001	\$408,000	2,898	\$141	5	1	1907
41 W ST NW	LeDroit Park	20001	\$475,000	2,788	\$170	4	2	1912
909 T ST NW	Old City II	20001	\$595,000	2,277	\$261	6	3	
222 11TH ST NE	Old City I	20002	\$1,350,000	N/A	N/A	N/A	N/A	
129 6TH ST NE	Capitol Hill	20002	\$835,000	4,044	\$206	4	3	
223 A ST NE	Capitol Hill	20002	\$753,000	2,067	\$364	4	3	
326 F ST NE	Old City I	20002	\$630,000	2,546	\$247	3	3	
333 E ST NE	Old City I	20002	\$630,000	2,389	\$264	5	3	
1329 C ST NE	Old City I	20002	\$369,000	1,725	\$214	3	1	1912
629 11TH ST NE	Old City I	20002	\$249,000	1,052	\$237	2	1	1915
1217 DUNCAN PL NE	Old City I	20002	\$343,000	1,620	\$212	4	2	
1129 PARK ST NE	Old City I	20002	\$450,000	1,175	\$383	2	2	1905
721 10TH ST NE	Old City I	20002	\$420,000	2,410	\$174	3	2	1925
408 11TH ST NE	Old City I	20002	\$327,500	2,214	\$148	4	1	1909
521 5TH ST NE	Old City I	20002	\$380,000	1,402	\$271	3	1	
Median			\$408,000	2,110	\$209	3	2	

Source: The Washington Post, www.realtor.com; Bay Area Economics, 2004.

Table A-10: Competitive Residential Developments

Project/Address	Pre-Sales Began	Number of Units	Floor Plans	Sales Pricing		Square Feet		Price Per Square Foot		Estimated Monthly Absorption	Parking	Comments/Amenities
Capitol Overlook 221 R Street, NE Washington DC (202) 320-9976	TBD	12	2br/2ba	\$400,000	\$500,000	1,400	1,700	\$357.14	\$294.12	N/A	Garage 1 Space	Fireplaces, balconies and available skylights Maple or bamboo hardwood floors. Gourmet kitchens with granite countertops and under mount sinks, cooktops with hoods, raised-panel, full-overlay cabinetry and stainless steel appliances
Shaw House 2124 11th Street NW Washington DC (202) 320-9976	Now Selling	3	2br/ 2.5ba/1d	\$400,000	\$400,000	1,182	1,210	\$338.41	\$330.58	N/A		Zahn Architect designed them Gourmet kitchens, granite countertops, undermount sinks, cooktops with hoods, raised-panel, full-overlay cabinetry, and stainless steel appliances and hardware. Travertine marble, oversized shower or tub with shower.
			2br/ 2.5ba/1d/ 1 mez	\$500,000		1,630						
Ndidi 1210 V Street, NW Washington DC (202) 320.9976		7								N/A		Cooktops w hoods, raised-panel, full-overlay cabinetry, stainless steel appliances and hardware. Luxury baths w/ marble
		6	2br/ 2ba/1d	\$400,000		950		\$421.05				
		1	3br/ 2ba/Penths	\$500,000								
Lola Place 1915 12 Street, NW Washington, DC		4	3br/2ba/ Flats	\$500,000		1,400		\$357.14		N/A		Units with loft-life features, including high ceilings (9ft) Open-riser stairs, custom imported lighting & luxurious bathroom
			2br/2.5 ba	\$400,000		1,400		\$285.71				
			2br/2.5 ba	\$500,000		1,400		\$357.14				
			3br/2ba/1 den	\$800,000		2,450		\$326.53				
Woodson Row 1916 12th Street Washington, DC	Completed 03	8	2br/2ba	\$659,000	\$689,000	1,740		\$378.74	\$395.98	N/A	Rear surface lot	Maple/oak floors, marble & glass tile baths, granite & concrete counters, stainless steel appliances, central A/C with gas furnace, high-tech wiring for phone, net, cable.
			2br/2.5 ba	\$898,000	\$908,000	2,000		\$449.00	\$454.00			
Adams Station 2421 18th Street, NW, Washington, DC 20008 (202) 966-2100	2 units remain		Duplex							N/A		Exposed beams, raw concrete; gourmet kitchens, granite countertops, custom maple cabinets; and bamboo wood
			1br/1ba			1,110						
			1br/2 ba	\$733,900		1,540		\$476.56				
Mather Studios 916 G Street, NW, Washington, DC 20001 (202) 966-2100		49	1br/1ba	\$449,900		970		\$463.81		N/A		Rolling track doors, exposed concrete, stainless steel appliances, gourmet kitchen, granite countertops, maple cabinets; and convenient location
			2br/2ba	\$924,900		1715		\$539.30				

Table A-10: Competitive Residential Developments (Continued)

Project/Address	Pre-Sales Began	Number of Units	Floor Plans	Sales Pricing		Square Feet		Price Per Square Foot		Estimated Monthly Absorption	Parking	Comments/Amenities
The Metro 1444 Church Street, NW, Washington, DC 20005 (202) 966-2100	Fall 2004		1br/1ba/1d	\$423,900		835		\$507.66		N/A	Garage \$30,000/space	Secured access garage parking, gourmet kitchens, stainless steel appliances, granite countertops, maple cabinets, window walls, high ceilings. Additional \$5,000 to \$8,000 for storage
			1br/1ba/1d/roof	\$614,900	\$619,900	1,225	1,235	\$501.96	\$501.94			
2020 Lofts 2020 12th Streets (202) 232-0075	July 01-2003 2005 move in	146	1br/1ba	\$300,000		720		\$416.67		15	Garage	Ten-foot ceilings feature exposed ductwork, stainless steel appliances, hardwood floors spread across open layouts
			1br/1ba/1d	\$388,000	\$425,000	902	943	\$430.16	\$451			
			2br/2ba	\$481,000	\$520,000	1,088	1,163	\$442.10	\$447			
			2br/2ba/1d		\$532,000	1,253			\$425			
The Ellington 1301 U Street, NW Washington DC 20009 (202) 387.1888	Summer 2004	192	jr 1br/1ba	N/A		N/A		N/A		N/A		
			1br/1ba	N/A		N/A		N/A				
			1br/1ba/1d	N/A		N/A		N/A				
			2br/2ba	N/A		N/A		N/A				
			2br/2ba/1d	N/A		N/A		N/A				
Langston Lofts 1390 V Street Washington, DC (202) 462.4888	Summer 2004 Building Sold Out Dec 02-Nov-03 7 months	79	1 br	\$220,000		630	740	\$349.21		12	Underground Garage \$28,000/space	Gourmet kitchens, stainless steel appliances granite countertops, custom maple cabinets; and window walls, high ceilings.
			1br/den	\$240,000	\$300,000	825		\$290.91	\$363.64			
			2 br	\$375,000	\$400,000	990		\$378.79	\$404.04			
Artisan 915 E Street Washington, DC 20004 (202) 628.6220			Studio	\$350,000		N/A		N/A		N/A		Chef-caliber kitchen, custom cabinets, granite countertops, bamboo floors in living areas, Berber carpet, lots of closet space
			1 br	\$400,000		N/A		N/A				
			2 br	\$600,000		N/A		N/A				
			3 br	\$800,000		N/A		N/A				
Cosmopolitan Condos 717 6th Street, NW Washington, DC 20001 (202) 544.6020 253-2502- Kathy		46	1 br/den	\$400,000		N/A		N/A		N/A		Chef-caliber kitchen, custom cabinets, granite countertops, bamboo floors in living areas, Berber carpet, lots of closet space, fireplace wired for multiple phone lines & internet
			2 br	\$400,000	\$450,000	N/A		N/A				
			2 br/ den	\$450,000	\$500,000	N/A		N/A				
Tivoli Square 14th and Monroe Washington, DC 20001 703-448-0800	Pre-Sales Begin in June, expect to sell out in one month	40 8 Affordable	2 br / 2ba	\$400,000		1,100		\$363.64		N/A	Private Parking 1-car garage tandem space behind	Brick facades, spacious designs, lots of windows top-quality kitchen cabinetry, luxury master baths, private garages.
			2 br/ 2.5 ba	\$500,000		1,700		\$294.12				

Source: Internet and Phone Inventory, BAE,2004.

Table A-11: Hotel Comparables for Areas Surrounding Uptown Destination District

Name/Address	Number of Units	Floors	Room Type	Room Rates		
Windsor Inn 1842 16th Street NW Washington, DC 202.667.0300	45	4	2 Double 1 Queen	\$109 \$159		
Embassy Inn 1627 16th Street NW Washington, DC 202.234.7800	38	5	1 Twin 1 Double	\$109 \$119		
Hotel Helix 1430 Rhode Island Avenue NW Washington, DC 202.462.9001	178	10	1 King King Delux	\$92 \$179	- -	\$139 \$259
Braxton Hotel 1440 Rhode Island Avenue NW Washington, DC 202.232.7800	61	4		\$48	-	\$65
Swann House 1808 New Hampshire Avenue NW Washington, DC 202.265.4414	9		Full Queen Delux	\$175 \$185 \$245	- - -	\$215 \$235 \$295
Holiday Inn- Central DC 1501 Rhode Island Avenue NW Washington, DC 202.483.2000		10	2 Double Beds 1 King Suites	\$125 \$134	- -	\$169
Washington Terrace Hotel 1515 Rhode Island Avenue NW Washington, DC 202.232.7000	220	8	2 Double Beds Queen/King	\$124 \$149		
Morrison Clark Inn 1015 L Street NW Washington, DC 202.898.1200	54	5	2 Doubles, twin Queen Delux	\$139 \$239 \$300	- - -	\$200 \$279 \$320
Washington Plaza Hotel 10 Thomas Circle NW Washington, DC 202.842.1300	340	9	2 Double Beds Queen/King	\$129 \$200	- -	\$164 \$250
Homewood Suites by Hilton 1475 Massachusetts Avenue NW Washington, DC 202.265.8000	175	8	1 King w/ kitchen 2 doubles w/ kitchen	\$159	-	\$189
Carlyle Suites Hotel 1731 New Hampshire Avenue NW Washington, DC 202.234.3200	170	8	Efficiency Suite	\$99	-	\$179
Comfort Inn Washington 1201 13th St NW Washington DC 202.682.5300	100	8	2 Double Beds 1 Queen 1 King	\$69	-	\$119
Red Roof Washington Downtown 500 H St NW Washington DC 202-289-5959	195	10	Full bed	\$80	-	\$199
Best Western Downtown-Capitol Hill 724 3rd St NW Washington DC 202-842-4466	58	6	1 Queen 1 Queen & 1 Single 1 King	\$90	-	\$169
Harrington Hotel 11th st Nw at E St NW Washington DC 202-628-8140	245	12	1 Double Bed 2 Double Beds 1 Queen 2 Queens King	\$85	-	\$149

Source: Internet and Phone Interviews: BAE, 2004.

Table A-12: Affordable Housing Mortgage Calculator

	Household Income (a)	Sale Price	Down Payment (b)	Total Mortgage	Monthly Payment	Monthly Property Tax (c)	Monthly Insurance (d)	Total Monthly PITI (e)
Very Low Income								
1 Person HH	\$28,300	\$95,648	\$9,565	\$86,083	\$544.10	\$147.46	\$15.94	\$707.50
2 Person HH	\$32,300	\$109,167	\$10,917	\$98,250	\$621.01	\$168.30	\$18.19	\$807.50
3 Person HH	\$36,350	\$122,855	\$12,285	\$110,569	\$698.87	\$189.40	\$20.48	\$908.75
4 Person HH	\$40,400	\$136,543	\$13,654	\$122,889	\$776.74	\$210.50	\$22.76	\$1,010.00
Lower Income								
1 Person HH	\$33,960	\$114,777	\$11,478	\$103,299	\$652.92	\$176.95	\$19.13	\$849.00
2 Person HH	\$38,760	\$131,000	\$13,100	\$117,900	\$745.21	\$201.96	\$21.83	\$969.00
3 Person HH	\$43,620	\$147,426	\$14,743	\$132,683	\$838.65	\$227.28	\$24.57	\$1,090.50
4 Person HH	\$48,480	\$163,851	\$16,385	\$147,466	\$932.09	\$252.60	\$27.31	\$1,212.00
Moderate Income								
1 Person HH	\$43,850	\$148,203	\$14,820	\$133,383	\$843.07	\$228.48	\$24.70	\$1,096.25
2 Person HH	\$50,100	\$169,327	\$16,933	\$152,394	\$963.23	\$261.05	\$28.22	\$1,252.50
3 Person HH	\$56,400	\$190,619	\$19,062	\$171,557	\$1,084.36	\$293.87	\$31.77	\$1,410.00
4 Person HH	\$62,650	\$211,743	\$21,174	\$190,569	\$1,204.52	\$326.44	\$35.29	\$1,566.25

Notes

(a) Income Limits from the Department of Housing & Urban Development

(b) Mortgage terms:

Annual Interest Rate (Fixed) 6.5%

Term of mortgage (Years) 30

Percent of sale price as down payment 10.0%

(c) Initial property tax rate (Annual) 1.85%

(d) Annual insurance rate as percent of sale price 0.2%

(e) PITI = Principal, Interest, Taxes, and Insurance

(f) Percent of household income available for PITI 30.0%

Source: Bay Area Economics, 2004.

APPENDIX B



RETAIL MARKET ANALYSIS: UPTOWN DESTINATION DISTRICT

Retail Demand Assessment

February 11, 2004

TALE OF TWO RETAIL DISTRICTS

Washington, DC's Uptown area is on the brink of a retail transition. As an environment stabilized by two Metro stations as well as Howard University and H.U. Hospital, Uptown boasts many long-term retailers. Others, drawn to the area by affordable rents and new development, opened their doors just a few months ago. As an established neighborhood with new retail potential, Uptown's retail demand is strong, but not limitless.

Within this neighborhood, two different retail districts are emerging around each Metro station. At the U Street/African-American War Memorial/Cardozo station's 13th Street entrance, new ground-floor retail development will mix with the neighborhood's restaurant (and cultural) institution, Ben's Chili Bowl. The limited retail around Shaw/Howard U. Station at 7th and S Streets relates to the demands of the university and hospital, while struggling with crime and maintenance issues.

The amount and composition of Uptown's future retail offerings will be determined by the area's ability to draw and capture customers over the next several years. The first step in projecting a vision for Uptown's stores and restaurants is calculating retail demand.

RETAIL DEMAND FOR UPTOWN¹

Demand for goods, services, and dining in Uptown is generated by:

- local residents,
- nearby daytime employees, and

¹ Retail demand for Uptown was estimated using existing market conditions, however, several assumptions regarding the physical environment were made to reach reasonable conclusions. These assumptions include cessation of practices caused by construction that impair retail activity (such as restricted parking, blocked traffic lanes, construction noise); improvement of Uptown's litter and loitering conditions; and reduction of criminal activity, especially along 7th Street to ensure a clean and safe environment.

- visitors to the area who are from other nearby neighborhoods in DC and Maryland.

Each group is driven by different shopping patterns and needs. Local residents rely on the retail in Uptown for their daily errands, such as dry cleaning, convenience groceries, coffee, hair styling, etc. Nearby daytime employees need places to have lunch, relax after work or run quick errands in close proximity of their offices. Visitors to the area from other neighborhoods will be drawn to retail district to patronize a unique restaurant or shop that is not available in their own area.

Retail attraction is driven by three key factors: convenience, distance and comparable opportunity. For neighborhood residents and employees, convenience and distance are critically important, because time is limited for these customers. Comparable opportunity is the most important factor when an area is trying to attract customers from other neighborhoods. Will these potential shoppers pass a similar or more attractive shopping or dining option on their way to Uptown? If so, these alternatives will impact Uptown's retail attraction. Depending on the shopping patterns of a neighborhood's residents, they may also be drawn away from the neighborhood, foregoing convenience and distance, for less expensive goods, easier parking, or a better shopping environment. For these reasons, the shopping opportunities that surround Uptown and could impact retail attraction must be identified.

Adams Morgan. This established neighborhood of restaurants, quick-bite food, bars and specialty boutiques is located a mile west of Uptown. With recently improved parking conditions, Adams Morgan offers evening and weekend competition to the emerging Uptown district.

Columbia Heights. Between the DC USA site and the renovated Tivoli Square, Columbia Heights is scheduled to introduce approximately 600,000 new square feet into the District's retail market, including a Target and Giant Foods. This space will be supported by 2,000 new parking spaces and the existing Metro station. In addition to retail space, Tivoli Square will include the Gala Hispanic Theater.

14th Street. With one-of-a-kind and successful local retailers such as Go Mama Go! and Home Rule, 14th Street is forming a cohesive retail district. The Studio Theater adds a reason to be there in the evenings and weekends, while Caribou Coffee, a national retailer, represents confidence in the area's ability to attract retail spending.

Howard University's Retail District. Predominantly focused on the student retail demand, this retail district offers books/records, quick-bite food establishments, and discount clothing shops, among others. This collection of retail provides a recognizable and attractive district for student spending.

Rhode Island Place Shopping Center. Adding to the District's "urban big box" offerings, a new 52,000 square-foot Giant Foods, a 118,000 square-foot Home Depot store, and a 106,000 square-foot Kmart are open or under construction in Brentwood. Additional small shops will bring the project total to 284,000 square feet.

Washington Gateway, Brentwood Area, NE. Developed in partnership between The Peterson Companies and Fort Lincoln New Town Corporation in conjunction with the NCRC, Washington Gateway will host large tenants (most likely over 20,000 square feet each) at the intersection of New York and South Dakota Avenues. The project is expected to total between 350,000 and 400,000 square feet. Currently, negotiations for space are proceeding with Shoppers Food Warehouse, Staples, and Costco.²

P Street Whole Foods. The 40,000 square-foot Whole Foods in the Logan Circle is a specialty grocery store with a dependable resident customer base that also draws from other nearby neighborhoods.

O Street Giant. Offering groceries, pharmacy, seafood and floral, the central location of the O Street Giant makes it a primary food shopping location for many Shaw residents. This 35,000 square foot store was remodeled in 2001 and is rumored to be one of the next stores to be expanded by Giant Food.

EXISTING RETAIL SUPPLY

Retail supply and demand for Uptown has been studied based on the following three general retail categories:

- **Personal Service and Convenience Goods.** This category includes almost every retailer associated with daily or weekly errands, such as tailors, newsstands, dry cleaners, salons, convenience stores, drugstores, grocery stores, and similar.
- **Restaurant, Café, and Take-Away Food Establishments.** This category includes sit-down restaurants, cafes, quick bite or take-away food establishments, coffee shops, bakeries, and similar.
- **General Merchandise, Apparel, Furnishings and Other Retail.** This category includes shops where tangible items can be purchased such as clothing, furniture, appliances, electronics, books, and similar.

In the Uptown Destination District project area, total occupied retail space focused along U Street, 7th Street, Florida Avenue, and 9th Street totals approximately 116,800 square feet³. This amount is distributed among the following categories:

- 26,950 square feet of Personal Service and Convenience Goods.
- 53,550 square feet of Restaurants, Café, and Take-Away Food Establishments.
- 36,300 square feet of General Merchandise, Apparel, Furnishings and Other Retail.

Currently, approximately 31,250 square feet is vacant. Of the available vacant space, approximately 50% will not be competitive for new retail leases, due to poor condition or poor configuration.

EXISTING RETAIL DEMAND

² Washington Business Journal, January 19, 2004.

³ StreetSense Site Survey, DC Office of Planning and Development GIS maps

Retail demand for Uptown is generated by several different sources: resident demand, employee demand, and local attraction demand.⁴

Resident Demand. The resident retail trade area for Uptown was drawn as a series of concentric circles focused on the intersection of 9th and U Streets. Total retail expenditures were gathered for residents with ¼ mile of this location, between ¼ mile and ½ mile of this location, and between ½ mile and one mile of this location. At each of these distances, the ability of U Street to capture these retail expenditures was evaluated, based on the convenience and distance of other comparable retail opportunities. Consequently, within the ¼ mile ring, capture rates are high, decreasing with increased distance from the retail district.

TABLE 1: RESIDENT RETAIL DEMAND

Category	¼ mile radius	½ mile ring*	1 mile ring*	Total Resident Demand by Category
Population	2,879	8,814	63,239	
No. of HH	838	3,538	29,269	
Personal Service/ Convenience Goods Demand**	10,969 sf	37,150 sf	16,882 sf	65,001 sf
Restaurant, Café and Take- Away Food Demand	9,426 sf	22,390 sf	40,156 sf	71,972 sf
General Merchandise, Apparel, Furnishings and Other Demand	9,641 sf	12,555 sf	22,949 sf	45,145 sf

SOURCE: Claritas, Inc (2004), U.S. Census (2002), Consumer Expenditure Survey, Bureau of Labor Statistics (Third Quarter 2003), ICSC Monthly Mall Merchandize Sales Index (Fourth Quarter 2003), StreetSense, Inc.

* Please note: To avoid redundant counting, the ½ mile ring does not include the population or demand generated by expenditures for the ¼ mile radius. Similarly, the 1 mile ring does not include the statistical data for the ¼ mile radius or ½ mile ring.

** Retail Demand by Category is determined by evaluating the consumer expenditures by residents of this area for a twelve month period ending in the third quarter of 2003. Detailed data for this section are provided in Appendix Two.

⁴ "Demand by square feet" is the total sales per square feet as recorded for each retail category in the International Council of Shopping Centers Fourth Quarter 2003 Monthly Mall Merchandise Index. For Uptown, the total sales per square foot for each category was prorated due to the area's urban and neighborhood conditions.

Employee Demand. Office workers and other 9 to 5 employees in the Uptown area do contribute additional retail demand. Their retail needs are focused on restaurants (mostly quick-bite opportunities) and errand-oriented shopping over lunch breaks and after work.

Of all the demand generators, employees are the most time-restricted, due to limited lunch hours. Therefore, analysis of employee demand is limited to the ¼ mile and ½ mile radii.

TABLE TWO: EMPLOYEE RETAIL DEMAND

Category	¼ mile radius	½ mile ring	Total Employee Demand by Category
Total Employees	2,879	8,814	
Personal Service/ Convenience Goods Demand	2,566 sf	1,547 sf	4,113 sf
Restaurant, Café and Take- Away Food Demand	8,555 sf	5,157 sf	13,712 sf
General Merchandise, Apparel, Furnishings and Other Demand	8,015 sf	4,832 sf	12,847 sf

SOURCE: Sites USA (2003), ICSC Monthly Mall Merchandise Sales Index (Fourth Quarter 2003), StreetSense, Inc.

Local Attraction Demand. Additionally, Uptown has the potential to draw retail expenditures from beyond the one-mile area, which is already represented in the resident retail demand calculations.

In an urban setting, it is highly unlikely that a neighborhood will attract personal service or convenience goods spending from residents over a mile away. This type of retail is simply too dependent on convenience and distance. The strongest areas of retail attraction will be unique restaurants and shops.

TABLE THREE: LOCAL ATTRACTION RETAIL DEMAND

Category	1-2 mile ring	2-3 mile ring	Total Local Attraction Demand by Category
Total No. of Households	50,991	63,455	
Restaurant, Café and Take- Away Food Demand	11,627 sf	7,960 sf	19,587 sf

General Merchandise, Apparel, Furnishings and Other Demand	8,828 sf	6,094 sf	14,922 sf
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SOURCE: Sites USA (2003), Consumer Expenditure Survey, Bureau of Labor Statistics (Third Quarter 2003), ICSC Monthly Mall Merchandise Sales Index (Fourth Quarter 2003), StreetSense, Inc.

The cumulative demand by potential customers equals approximately 235,000 square feet. As the current retail supply for Uptown is almost half this amount, it can be reasonably assumed that forces other than market demand are negatively impacting the retail condition in this neighborhood.

TABLE FOUR: TOTAL UNMET RETAIL DEMAND

Category	Resident Demand	Employee Demand	Local Attraction Demand	Total Retail Demand	Total Existing Retail	Total Unmet Retail Demand
Personal Service/ Convenience Goods Demand	65,001 sf	4,113 sf	n/a	69,114 sf	26,950 sf	42,164 sf
Restaurant, Café and Take- Away Food Demand	71,972 sf	13,712 sf	19,587 sf	105,271 sf	53,500 sf	51,771 sf
General Merchandise, Apparel, Furnishings and Other Demand	45,145 sf	12,847 sf	14,922 sf	72,914 sf	36,300 sf	36,614 sf
TOTAL	182,118 sf	30,672 sf	34,509 sf	247,299 sf	116,750 sf	130,549 sf

SOURCE: Claritas, Inc (2004), Sites USA (2003), U.S. Census (2002), Consumer Expenditure Survey, Bureau of Labor Statistics (Third Quarter 2003), ICSC Monthly Mall Merchandize Sales Index (Fourth Quarter 2003), StreetSense, Inc.

IMPACT OF FUTURE DEVELOPMENT ON UNMET DEMAND

The proposed development at Howard Town Center is planned to add 65,000 square feet of new retail to 7th Street. With leasing efforts focused on a grocery store and drugstore, Howard Town Center could satisfy the unmet demand for personal service and convenience goods, as well as having a considerable impact on the other two categories (depending on the final merchandising mix).

POTENTIAL RETAIL DEMAND FOR PROPOSED SQUARE 441 OPTIONS

The proposed redevelopment of Square 441 (as determined by PETR Productions) could contribute additional retail demand along 7th Street.

TABLE FIVE: POTENTIAL EVENT ATTENDEES RETAIL DEMAND

	Square 441: Option 1	Square 441: Option 2
No. of Attendees Annually *	119,040	445,625
Restaurant, Café and Take- Away Food Demand **	3,698 sf	14,155 sf
General Merchandise, Apparel, Furnishings and Other Demand	2,069 sf	7,921 sf

SOURCE: Americans for the Arts (2003), ICSC Monthly Mall Merchandize Sales Index (Fourth Quarter 2003), PETR Productions, StreetSense, Inc.

- * Please note: Annual attendance projections reflect 2008 estimates from PETR Productions. For Option 1, total number of attendees does not include “restaurant covers” to avoid redundant counting.
- ** Spending multipliers for event attendees were calculated based on figures gathered for “Arts & Prosperity Survey” conducted by Americans for the Arts in 2003.

DISTRIBUTION OF RETAIL DEMAND THROUGHOUT THE UDD⁵

Within the Uptown project area, two areas are becoming identifiable potential retail districts. The first of these stretches along U Street and terminates at its east end at 10th Street. The second retail district extends along 7th Street from R to V Streets.

Near the intersection of U Street and Vermont Avenue, a series of factors create a natural break between these two potential retail districts. First, the African-American War Memorial to the south side of U Street and the Garnet-Patterson Middle School to the north side eliminate the possibility for retail in this half-block. Vermont Avenue is immediately adjacent to the east. This roadway’s width and traffic volume presents another retail barrier. These obstructions to continuous retail along U Street should not be regarded negatively, as they offer clear definition to two separate retail districts: a

⁵ Retail demand does not translate directly into a development program. Site conditions, available parking, and redevelopable parcels are not calculated as part of retail demand. Instead, the retail demand calculations provide a sense of what is developable and leasable from the market’s perspective.

boutique and quick-bite food focused district along U Street to the west and a dining and neighborhood-goods district along 7th Street.

U Street Retail District: Boutiques and Quick-Bite Food

The merchandising mix along U Street from 13th Street to 10th Street should be a continuation of the retail success further to the west on U Street and on 14th Street. As new retail development continues around the U Street Metro station, the area will become more recognizable as a coherent retail location. Leasing efforts in this area should focus on uses that serve residents and employees alike, such as quick-bite food. It should also provide opportunities for small shops that cannot afford 14th Street rents, yet want to benefit from proximity to its retailers.

The following retail merchandizing mix and totals are recommended for U Street from 13th to 10th Streets:

- Approximately 3,000 – 5,000 square feet of Personal Service and Convenience Goods.
- Approximately 15,000 – 20,000 square feet of Restaurant, Café and Take-Away Food.
- Approximately 20,000 - 25,000 square feet of General Merchandise, Apparel, Furnishings and Other.

Rents for this area will vary based on location, condition of retail space, level of tenant interest. However, triple net rents between \$25.00 and \$35.00 per square foot are expected. Tenant improvement allowances are unlikely, and landlord build-out is a much more probable provision of a retail lease at this location.

7th Street Retail District: Restaurants and Neighborhood Service

If 7th Street's safety and maintenance issues can be resolved, this area has the potential to flourish as a restaurant destination. The renovation of the Howard Theater and/or addition of an arts event use on Square 441 will greatly enhance the attractiveness of this area as a dining district.

Several neighborhood goods and services retailers are already located near the intersection of 7th Street and Florida Avenue, including a florist, a hair salon, a hardware store and a drugstore. If plans to move the CVS to Howard Town Center proceed, a civic use, such as a relocated post office, would impact the ability of this area to support additional neighborhood-oriented goods and services.

This neighborhood-serving retail district should include the 9th Street retail area. From a planning perspective, consider the renovation of T Street between 7th Street and Florida Avenue for possible redevelopment as a restaurant zone. Because of its physical configuration, its isolation from foot and vehicular traffic, and the costs associated with correcting each of these conditions, Wiltberger Street is not a suitable location for this restaurant row.

The following retail merchandizing mix and totals are recommended for 7th Street from R to V Streets, and along Florida Avenue between Vermont Avenue and 7th Street:

- Approximately 3,000 – 5,000 square feet of Personal Service and Convenience Goods, with the potential for up to 7,000 additional square feet with the introduction of a retail-oriented civic use (post office, library branch, etc.).
- Approximately 30,000 - 35,000 square feet of Restaurant, Café and Take-Away Food (with the potential for an additional 4,000 square feet under Option 1 for Square 441 and 14,000 square feet under Option 2).
- Approximately 12,000 - 15,000 square feet of General Merchandise, Apparel, Furnishings and Other (with the potential for an additional 2,000 square feet under Option 1 for Square 441 and 8,000 square feet under Option 2).

Rents for the 7th Street District will also vary based on location, condition of retail space, level of tenant interest. Triple net rents will range between \$18.00 and \$27.00 per square foot. Tenant improvement allowances are also unlikely at this location, and landlord build-out is a much more probable provision of a retail lease.

RETAIL DESIGN REQUIREMENTS

New development in this area that includes ground-floor retail should meet the following baseline requirements:

- A minimum of 14 feet clear ceiling height or higher.
- A minimum of 45 foot space depths (preferably 60 feet).
- Corner space on new buildings should be reserved for retail uses and not obstructed by entrances for the second floor uses.
- Second-floor retail spaces will be difficult to lease in this market.

The Uptown district is still an emerging retail market and, for this reason, retail conditions that deviate from traditional expectations as little as possible will be most successful.

BUILDING A RETAIL FRAMEWORK

To support this retail demand and strengthen the market position of existing and future retailers in this area, the following recommendations are made:

Establish recognizable, consolidated retail districts. For each street's retail, areas need to become associated with a shopping or dining task to become true "destinations." For U Street, this retail identity should build off what is already working in this area – predominantly restaurants. Ninth Street also shows signs of being able to support restaurants, but might be better suited to neighborhood goods and services retailers. Seventh Street is the most complicated area to determine a retail identity. In the next few years, the physical cornerstone of 7th Street's retail, the CVS site, could undergo a transformation. The result of this metamorphosis will determine the future of retail success on this street.

Seek a comprehensive parking solution. The Uptown District is underparked, as customers fight for the same parking spaces. Metro traffic contributes a great deal to the attractiveness of residential uses in this area, but has only a moderate impact on

retail uses. Stores and restaurants will pay higher rents to be near the Metro entrances, as these locations focus and add an element of predictability to the activity of Uptown residents. An off-street parking solution that is well-maintained, well-lit and available to the public will have a considerable, positive effect on Uptown's future retail market.

Reactivate a realistic real estate market in Uptown. Several of the parcels throughout Uptown, but most notably on U Street, have storefronts that are vacant due to landlords' speculative rents or land sales prices. Expectations that the Uptown real estate market is about to explode has resulted in a period of stagnation for retail space as landlords are unwilling to place additional burdens, such as leases, on their properties.

Quickly establish a safe, maintained, and possibly managed environment. Throughout the Uptown District, but most notably along 7th and 9th Streets, many of "the basics" that are considered essential for a stable retail market are missing – safe and maintained. Most customers and potential new retailers have a low threshold for trash and personal endangerment. Under these conditions, they will make other shopping choices. Provisions, such as garbage cans placed at regular intervals (that are emptied frequently), discouragement of loitering, and maintenance of parking fields or empty lots, will improve the perception of Uptown's retail market considerably.

Appendix One: RETAIL AUDIT

In December 2003 and January 2004, StreetSense conducted a retail audit of the designated Uptown Destination District. Team members cataloged the retail inventory of the district as well as visiting businesses and interviewing owners. StreetSense visited a total of 17 businesses, completing a complete retailer questionnaire and site evaluation of ten (10) shops and restaurants.

Businesses were randomly selected from throughout the Uptown Destination District. Auditors used a variety of methods to make contact with business owners, including cold calling. Many owners were out of the stores or unavailable, so appointments were made by telephone.

Businesses were eliminated from the Audit if the owners indicated that they were not interested in participating, or if multiple attempts at contact were rebuffed.

We began interviews by handing out a project flyer designed and produced by the Office of Planning. This was followed with a brief explanation of the project and the role of StreetSense within the greater project. Business owners were also reassured that their answers would remain confidential and would be used only as part of averages and generalizations, unless they were contacted with a request to use their names and responses.

The retailer questionnaire portion of the Retail Audit included the following survey questions:

- Do you rent or own your building?
- What is your annual rent per square foot?
- How long has this shop been in business under current ownership?
- Who is your average customer?
- Where are your typical customers from?
- How do they arrive at your store?
- Where do your customers park?
- How do you market or advertise your business?
- What is your biggest obstacle to additional success at this location?

StreetSense's Retail Audit also included an individual analysis of the following site elements:

- Estimated size of store (confirmed when possible)
- Retail Category
- Proximity to theater
- Proximity to Metro entrance
- Storefront Condition
- Merchandise condition
- Staff/customer service
- Ownership (confirmed when possible)
- Special notation of any atypical business practices (limited hours, special promotions, etc.)

Each business was assigned a score from 1 (poor) to 5 (exceptional) for the following elements: storefront condition, merchandise condition, and staff/customer service.

Of the ten businesses that were comprehensively surveyed, the following retail categories were represented:

- Restaurant (5)
- Books & Music (2)
- Hardware (1)
- Liquor (1)
- Gifts (1)

FINDINGS

1. Rent. Nearly half of the businesses audited owned their own buildings and therefore did not pay rent. Of those renting their business locations, some retailers were hesitant to reveal their financial obligations. Rents of those willing to disclose varied from \$17 to \$20 per square foot.
2. Years in Business. The number of years in business under current ownership ranged from four months to 58 years. Three of the surveyed shops and restaurants had been in business for less than one year, while two had been open in Uptown for over 45 years.
3. Average Customer. Of the retailers surveyed, 40 percent found that their customer base was too varied to identify an average customer. Throughout the Uptown Destination District, retailers and restaurateurs identified their customers as being extremely varied in age. Thirty percent of the businesses noted that most of their customers were women. One retailer identified Howard University students and Howard University Hospital employees as making up a considerable amount of their consumer base. Two noted that their customers were predominantly African-American.
4. Where are they coming from? Several businesses gave multiple answers to this question.
 - Local neighborhood (5)
 - Citywide (4)
 - DC Metro area (3)
 - Howard University (1)
 - Office workers (1)
5. How do they arrive? Statistically, no one method of transportation stood out as primary. Several businesses identified more than one primary method of arrival for their customers.
 - Walk (6)
 - Drive (6)
 - Metro rail (5)
 - Metro bus (1)
 - Bike (1)
 - Telephone orders (1)
6. Parking. Only two of the businesses surveyed provided parking for their customers (lots of 20 spaces and 12 spaces). Other retailers relied solely upon street parking to serve their customers' needs.

7. Advertising. Retailers relied upon a variety of advertising methods including local newspapers, television, the yellow pages, and signs. Four retailers also found radio advertising to be successful. Church bulletins were also found to be effective business generators for a two surveyed stores. A few business owners disclosed that they relied solely upon word of mouth to bring in new customers. Business owners were unable to quantify the success of their advertising methods.
8. Obstacles to success. A wide variety of answers were given for the question about what might be impeding additional success. The complete list of responses to this question is listed below, followed by the number of respondents who gave this answer.
 - Lack of police presence / drug traffic / crime / loitering (5)
 - Lack of trash cans / insufficient street and sidewalk cleaning (4)
 - Lack of parking (3)
 - Traffic congestion / Unloading in front of building at all times of day which blocks visibility, street parking, and traffic lanes / construction disrupts sidewalk, traffic (3)
 - Perception of neighborhood (2)
 - Lackadaisical land owners who do not maintain their property (1)
 - No bike racks (1)
 - Parking lot used as restroom (1)
 - Location (1)
 - Lack of covenants (1)
 - Existing small businesses are overtaxed and underincentivized by the City (1)
 - Aggressive homeless people (1)
 - Current economy (1)
9. Atypical Business Practices.
 - Business Practices to be encouraged:
 - Special events almost every night (1)
 - Business Practices to be discouraged:
 - Evident security bars (2)
 - Restricted hours (1)
 - Poor signage (1)

OBSERVATIONS FROM THE RETAIL AUDIT:

Several businesses on both U and 7th Streets are run by highly capable retailers, who are struggling with difficult retail conditions. For these businesses, some basic improvements in their surrounding conditions are necessary for their shops or restaurants to meet their full potential.

On U Street:

- Parking limitations caused by massive construction projects over the past few years have had real impacts on this section of U Street's retail and restaurant sales.
- Lack of a traffic signal at U and 12th Streets creates two problems. First, residents (and workers) north of U Street must fight vehicular traffic at this intersection with

no assistance. Consequently, they are more likely to walk west to the 13th Street to cross to the Metro. Given that so much of the new residential development has taken place north of U Street, this condition renders the south side of U Street between 12th and 13th Street very inhospitable to retailers. Second, traffic delays caused by cars trying to enter 12th Street north from U Street (or the reverse) impair access to retailers to the north of U Street. Pedestrians cannot make it to the south and vehicles cannot get to the north of U Street. A possible remedy for this situation could be a traffic light.

- While Lincoln Theater is an historic and cultural boon to the U Street area, its inactivity during most parts of the day and the week create a “retail void” on U Street.

On 7th Street:

- Drug-related activity and loitering along 7th Street create a very difficult retail condition. Many businesses report customers who have abandoned their shopping trips out of fear or just basic unwillingness to interact with 7th Street’s street life. This problem is most pronounced between U and T Streets, especially along the eastern side. We are uncertain if this area’s loitering is focused on a specific location or business.
- The loud music that is transmitted into the streets by Central Communications at the corner of Florida Avenue and 7th Street does not make many customers feel welcome on this portion of the street. Numerous pedestrians were observed crossing streets in order to avoid the eastern half of this block, which is also the location of a few promising new businesses.
- To the north of Florida Avenue, there are reports of unfavorable conditions, especially in the summer, in the available surface parking lot. Frequent urination and other activities make the sidewalk environment unpleasant and discourage customers from parking there.
- Throughout the project area along 7th Street, garbage litters the streets and sidewalks. Many retailers noted a desire for more garbage cans along the streets. Several shopowners have taken more proactive steps – cleaning large areas of sidewalk themselves, or setting out and emptying private garbage cans – but report only minor improvements due to these efforts.

Appendix Two: DETAILED DEMAND CALCULATIONS

Resident Demand U and 9th Streets ¼ mile				
Retail Category	Total Retail Expenditures	Capture Rate	Total Captured Expenditures (potential)	Total Demand (sf)*
Food at Home	3,453,943	0.85	2,935,851	7,829
Personal Care Products and Services, Household Supplies	1,200,740	0.85	1,020,629	3,140
Personal Service/Convenience Goods				10,969
Food and Alcoholic Beverages Away from Home	3,984,690	0.75	3,534,866	9,426
Furnishings, Home Décor	999,000	0.5	499,500	1,816
Major and Small Appliances, Electronics, Computers	1,389,000	0.5	694,500	2,315
Apparel, Footwear and Accessories	3,683,000	0.5	1,841,000	4,911
Reading Materials	449,000	0.5	224,500	599
GAFO				9,641

SOURCE: Claritas, Inc (2004), U.S. Census (2002), Consumer Expenditure Survey, Bureau of Labor Statistics (Third Quarter 2003), ICSC Monthly Mall Merchandize Sales Index (Fourth Quarter 2003), StreetSense, Inc.

Resident Demand U and 9th Streets ½ mile				
Retail Category	Total Retail Expenditures	Capture Rate	Total Captured Expenditures (potential)	Total Demand (sf)
Food at Home	13,556,767	0.75	10,167,575	27,114
Personal Care Products and Services, Household Supplies	5,436,504	0.6	3,261,902	10,037
Personal Service/Convenience Goods				37,150
Food and Alcoholic Beverages Away from Home	16,792,834	0.5	8,396,417	22,390
Furnishings, Home Décor	2,008,000	0.25	502,000	1,825
Major and Small Appliances, Electronics, Computers	3,620,000	0.25	905,000	3,017
Apparel, Footwear and Accessories	10,267,000	0.25	2,566,750	6,845
Reading Materials	1,303,000	0.25	325,750	869
GAFO				12,555

SOURCE: Claritas, Inc (2004), U.S. Census (2002), Consumer Expenditure Survey, Bureau of Labor Statistics (Third Quarter 2003), ICSC Monthly Mall Merchandize Sales Index (Fourth Quarter 2003), StreetSense, Inc.

Resident Demand U and 9th Streets 1 mile				
Retail Category	Total Retail Expenditures	Capture Rate	Total Captured Expenditures (potential)	Total Demand (sf)
Food at Home	108,598,820	0.05	5,429,941	14,480
Personal Care Products and Services, Household Supplies	39,041,452	0.02	780,829	2,403
Personal Service/Convenience Goods				16,882
Food and Alcoholic Beverages Away from Home	150,586,078	0.1	15,058,608	40,156
Furnishings, Home Décor	20,466,000	0.05	1,023,300	3,721
Major and Small Appliances, Electronics, Computers	34,613,000	0.05	1,730,650	5,769
Apparel, Footwear and Accessories	87,974,000	0.05	4,398,700	11,730
Reading Materials	12,967,000	0.05	648,350	1,729
GAFO				22,949

SOURCE: Claritas, Inc (2004), U.S. Census (2002), Consumer Expenditure Survey, Bureau of Labor Statistics (Third Quarter 2003), ICSC Monthly Mall Merchandize Sales Index (Fourth Quarter 2003), StreetSense, Inc.

Employee Demand U and 9th Street ¼ mile					
Total Employees:	3,208				
Retail Category	Expenditure per Employee per Category	Total Estimated Expenditures	Capture Rate	Total Captured Expenditures	Total Demand (sf)
Personal Service and Convenience Goods	280.00	898,240	1.00	898,240	2,566
Restaurant, Café and Take-Away Food	1000.00	3,208,000	1.00	3,208,000	8,555
GAFO	812,00	2,604,896	1.00	2,604,896	8,015

SOURCE: Sites USA (2003), ICSC Monthly Mall Merchandise Sales Index (Fourth Quarter 2003), StreetSense, Inc.

Employee Demand U and 9th Street ½ mile					
Total Employees:	7,736				
Retail Category	Expenditure per Employee per Category	Total Estimated Expenditures	Capture Rate	Total Captured Expenditures	Total Demand (sf)
Personal Service and Convenience Goods	280.00	2,166,080	.25	541,520	1,547
Restaurant, Café and Take-Away Food	1000.00	7,736,000	.25	1,934,000	5,157
GAFO	812,00	6,281,632	.25	1,570,408	4,832

SOURCE: Sites USA (2003), ICSC Monthly Mall Merchandise Sales Index (Fourth Quarter 2003), StreetSense, Inc.

Local Attraction Demand U and 9th Street 1-2 mile				
Retail Category	Total Estimated Expenditures	Capture Rate	Total Captured Expenditures	Total Demand (sf)
Restaurant, Café and Take-Away Food	436,000,000	.01	4,360,000	11,627
GAFO	286,900,000	.01	2,869,000	8,828

SOURCE: Sites USA (2003), Consumer Expenditure Survey, Bureau of Labor Statistics (Third Quarter 2003), ICSC Monthly Mall Merchandise Sales Index (Fourth Quarter 2003), StreetSense, Inc.

Local Attraction Demand U and 9th Street 2-3 mile				
Retail Category	Total Estimated Expenditures	Capture Rate	Total Captured Expenditures	Total Demand (sf)
Restaurant, Café and Take-Away Food	597,000,000	.005	2,985,000	7,960
GAFO	396,100,000	.005	1,980,500	6,094

SOURCE: Sites USA (2003), Consumer Expenditure Survey, Bureau of Labor Statistics (Third Quarter 2003), ICSC Monthly Mall Merchandise Sales Index (Fourth Quarter 2003), StreetSense, Inc.

Event Demand Square 441 Option 1	Attendee				
		Spending Induced by Attendance to Events per Attendee	Projected 2008 Attendance	Projected Total Spending Induced	Total Demand (sf)
Retail Category					
Restaurant, Café and Take-Away Food		11.65	119,040	1,386,816	3,698
GAFO		5.65	119,040	672,576	2,069

SOURCE: Americans for the Arts (2003), ICSC Monthly Mall Merchandize Sales Index (Fourth Quarter 2003), Petr Productions, StreetSense, Inc.

Event Demand Square 441 Option 2	Attendee				
		Spending Induced by Attendance to Events per Attendee	Projected 2008 Attendance	Projected Total Spending Induced	Total Demand (sf)
Retail Category					
Restaurant, Café and Take-Away Food		11.65	455,625	5,308,031	14,155
GAFO		5.65	455,625	2,574,281	7,921

SOURCE: Americans for the Arts (2003), ICSC Monthly Mall Merchandize Sales Index (Fourth Quarter 2003), Petr Productions, StreetSense, Inc.

APPENDIX C

Uptown Destination District Study

Timeline of Significant Events in History of Lincoln and Howard theaters

Theater	Seating	Year	History	Costs	Funding	Programing	Management	Financial Feasibility
Lincoln Theater 1215 U Street Washington D.C.	1,250	1922	First Run Movie Theater and Colonnade Ballroom	\$7 M	D.C.	First Rund Movies Popular events "Battles of Bands" Annual Balls	Lincoln Howard Corp	Profitable Business
		1927	Purchased by Lincoln Howard Corp			Second-tier Movies		
		1953	Started losing business due to integration					
		1983	Closed Purchased by the District of Columbia			Performing Arts Civic Events Movies Boxing	Lincoln Theater Foundation 501 c (3)	Annual Subsiday \$250,000 from City
		1994	Renovated/Reopened Completely Restored					
Howard Theater 620 T Street Washington D.C.	1,300	1910	Built as Variety Hall Vaudeville, Musicals, theater, circuses and Community Events Films on Sundays Produced shows that toured the country The Nations oldest legitimate theater orginally constructed to service thel cultural interests of Black Americans		Private	Leased for Evangelical Revivals Duke Ellington	W.H. Smith Former Manager of Chicago's Pekin Theater	Profitable Business
		1929	Closed Stock Market Crash				Howard Theater Assoc.	
		1931	Re-opened					
		1970	Closed Ticket Prices Rising Crime					
		1974	Declared Historic Landmark					
		1977	Re-opened					
		1983	Closed					
		1986	Sold to District of Columbia					

Uptown Destination District Study
Matrix Summarizing Comparable National Theaters

Theater	Location	Size (Seats)	Year Built	History	Relevant Costs	Funding Sources	Programing	Management	Financial Feasibility
Blue Horizon	Philadelphia, PA	1,200 800 300	1865	Home of R.J. Robbins Used as Training Facility Renovated as theaters in 2003	\$3 M +	Public/Private	Small Theater Boxing Community Events	Blue Horizon	N/A
Orpheum Theater	Memphis, TN	2,400	1890	Grand Opera House Removated in 1982 Renovated in 1996	\$8 M \$13 M	Public/Private	Broadway Shows Films	Memphis Development Foundation Non Profit	Profitable Revenue \$11.2 M Expenses \$10 M Net Worth \$15 M
Gem Theater	Kansas City, MO	500	1912	Closed in 1960 Renovated 1997	\$4 M	Public/Private	Preforming Arts Special Events Tourist Attraction	Owned by Kansas City Managed by American Museum of Jazz Non Profit	Not Profitable Revenues \$85,112 Expenses \$115,046 \$52,000 Negative Net Worth
Apollo Theater	New York, NY	1,477	1914 1978	Opened as the Burlesque Theater Acquired by NY State Phase II in Planning	\$14 M \$53 M	Public/Private	Live Performances Amateur Nite	Apollo Theater Foundation Non Profit	Profitable Revenue \$9.3 M Expenses \$7.3 M Net Worth \$4.5 M
Karamku House	Cleveland, OH	2,197	1915	Closed in 1939 due to Fire Reopened in 1997	NA	P:ublic/Private	Live Performances Community Ctr. Day Care Center	Karamu House 501 (3)	Profitable Revenue \$1.8 M Expenses \$1.5 M Net Worth \$10 M
Attucks Theater	Norfolk, VA	625	1919	Closed in 1984 Norfolk Redevelopment Housing Authority purchased in 1986 Under Revonvation-To Re-open in 2004	\$7.4 M	Public Funding	Multipurpose Community Ctr.	City Of Norfolk to jointly Program and Operate	N/A
Metropolitan	Mograntown, WV	900	1924	Closed in 1987 Purchased by the Metropolitan Theater Preservation Foundation To re-open in 2004	\$3.5 M	Public/Private Public only \$250,000	Performing Arts Films Community Events		Vacant
Saenger Theater	New Orleans, LA	2,736	1927	Closed in 1978 Re-opened in 1980	\$3 M	Private Joint Venture Management and 50 Limited Partners	Broadway Shows Concets, Films	Private for Profit	Profitable
New Regal Theater	Chicago, IL	2,300	1927	Built as the Avalon Purchased in 1985 by the Gardener Family Reopened in 1985 Closed June 2003	\$3.5 M	Public/Private City/Gardners	Performing Arts Plays, Old Films	New Regal Theater Foundation	Unsuccessful/Closed Prior to closing, ticket sales contributed 35% towards operating costs, and rentals generated 15%, requiring a 50% annual subsidy
Ritz Theater	Jacksonville, FL	400	1929	Closed in 1972 Neglect/Desegregation Re-opened in 1999 Includes a Museum	\$4 M	Jacksonville	Music, Dance Theater Movies		N/A

Uptown Destination District Study
Matrix Summarizing Comparable National Theaters

Theater	Location	Size (Seats)	Year Built	History	Relevant Costs	Funding Sources	Programing	Management	Financial Feasibility
Fox Theater	Atlanta, GA	4,678	1929	Built as Yaarab Temple Paramount Movie Palace in 1935 1975 Purchased by Atlanta Landmark \$1.8 M Saving it from Destruction	NA	Public/Private	Performing Arts Special Events Proms, Weddings	Atlanta Landmarks	Profitable Has four Store Rentals Income \$9.5 M Expenses \$ 8.5 M Net worth \$4.1 M
Arena Play House	Baltimore, MD	300	1962	Upgraded in 1972 Stayed open during renovations	NA	Public/Private Possible Dream Campaign	Performing Arts	Arena Players	N/A
Uptown Theater	Philadelphia, PA		1929	Upgraded in 1951 Closed in 1978 Operated by True Light Ministries	NA	Public/Private	Movies and Live Performances	Owned by Uptown Entertainment & Development Corp.	Vacant
Shea's Buffalo	Buffalo, NY		1926	Built as a Movie Theater Converted to Performing Arts Center in 1999 Under Renovation Fund Drive for \$4 M			Performing Arts Broadway		N/A

Sources:
D.C. Office of Planning Interviews with theater managers
GuideStar National Data Base for Non Profit Organizations-2002 Tax Returns
P/E/T/R Productions

Uptown Destination District Study

Matrix summarizing regional theater venues (Provided by City)

Location's Name	Address	City/State/Zip	Phone	Fax	Contact	Capacity-Space One	Cost	Capacity - Space Two	Cost	Capacity-Space Three	Cost	Special Conditions	Nearest Metro Station/Busline
Alden Theatre, McLean Community Center	1234 Ingleside Avenue	McLean, VA	703 790 0123	703 556 0547	Clare Kiley	424/386	varies						
Arena Stage	6th & Maine Ave, SW	Washington, DC	202 554 9066			Fichandler - 800	not rented	Kreeger - 450	not rented	Old Vat - 150		Arena will be using the Old Vat space themselves come August 99. Inquire about renting the other theatres off season.	
Arlington Co Cultural Affairs Division	2700 South Lang St	Arlington, VA 22206	703 228 6960	703 228 6968	Mary Margaret Schoenfeld	Gunston 1 - 425 Gunston 2 - 100	10 - 25% Box Office	Rosslyn Spectrum - 375		Thomas Jefferson HS Theater- 700		Only Arlington based organizations can apply to rent space	
Arts Club of Washington	2017 I St, NW	Washington, DC 20006	202 331 7282	202 857 3678	Brendan Hurlev	120	\$400 - \$2000						Farrugut West
Church Street Theater	1742 Church St. NW.	Washington, DC 20036	202-265-3767	N/A	Edward McGee	125 seated						available weekly, Mondays available on a daily basis	Dupont Circle/Red
Corcoran Gallery of Art	500 17th St. NW	Washington, DC 20006	202-639-1780	202-639-1785	Kathy Ahmed	Hammer Auditorium - 193	\$1,800 Standard Rate; \$900 Nonprofit rate	Museum Atrium and Bridge - 400, seated; 1000, reception	\$9000 Standard Rate; \$7500 NonProfit Rate			Handicap Accessible	Two blocks from 30's Metrobuses, Penn. Ave. line
Dance Place	3225 8th St. NE	Washington DC 20017	202-269-1600	202-269-4103	Carla Perlo	Main Studio/Performance Space - Seats 180	\$600 per day, \$1200 for two days(includes crew and house staff); \$500 a day during summer months					Handicap Accessible; Metro accessible	Brookland-CUA/Red
District of Columbia Arts Center	2438 18th St. NW	Washington, DC 20009	202-462-7833	n/a	Mr. B. Stanley	seats 50; reception space also available	\$80 + 30% of door or \$150 nightly					Not wheelchair accessible	Call Metro for busline
Drums Unlimited Rental Services Rehearsal space	9517B Baltimore Av	College Park, MD 20740	301 982 3428	301 982 9671	Michael Toperzer	100	\$45/hr					rehearsal space	
GALA Hispanic Theatre	1625 Park Rd. NW(P.O. Box 43209)	Washington DC 20010	202-234-7174	202-332-1247	Abel Lopez	Main Space seats 200	Call for Rates					Staff is bilingual in Spanish/English	16th St. NW Metrobus lines
Georgetown University/Hall of Nations Theatre	1221 36th St. NW	Washington, DC 20057	202-687-4081	n/a	Facilities Coordinator : Melvin Reid	Seats 200	Call for Rates					Available Weekdays after 5 pm/weekends 9 am Midnight	D-2 or D-4 buslines
GMU/Patriot Center	4400 University Dr	Fairfax, VA 22030	703-993-3009	n/a	Barry Geisler	Main Space seats 10,000	Cost negotiable	Concert Hall 1935	\$5,000			Handicap accessible	Car needed
GWU/Lisner Auditorium	730 21st St. NW	Washington, DC 20052	202-994-6800	202-994-6909	Geneva Pham	Main Space seats 1490	Four Hour Period : Standard Rate (Fri., Sat., Sun.) = \$3000; Mon.-Thurs. = \$2,800; extra if need stage crew.					Available for rental to nonprofits organizations	Three blocks to Foggy Bottom/Blue-Orange
Hartke Theatre	Catholic University of America	Washington, DC 20017	202-319-5388	n/a	Richard Parker	seats 590	Call for Rates					Check for accessibility	Brookland-CUA/Red
Howard County Community College	10901 Little Patuxent Pkwy.	Columbia, MD 21044	410-964-4940	410-992-4803	Susan Kramer	Smith Theatre(proscenium theater) seats 420	\$600 per block of time(5 hours) includes one technician	Theatre Outback(black box space) seats 150	\$200 per block of time(5 hours) includes one technician	Rehearsal rates : \$100 per time block		Handicap accessible; extra technicians available at \$12/hr (5 hour minimum)	Car needed
Howard University/Irma Aldridge Theatre	2400 Sixth St. NW	Washington	202-806-7050	n/a	Prof. Henrietta Edmonds	Seats 300	Call for Rates					handicap accessible	Call for directions from Shaw-Howard U./Green
Jewish Community Center of Greater Washington	6125 Montrose Road	Rockville, MD 20852	301-230-3774	n/a	David Sislen	Kreeger Auditorium; seats 298	\$150/hr set-up to breakdown(including rehearsal) includes one technician	Cost extra for piano tuning and extra technicians				handicap accessible	Cab from White Flint /Red
John Addison Concert Hall, Harmony Hall Regional Center	MD Nat Cap Parks & Planning 10701 Livingston Rd	Fort Washington, MD 20744	301 292 8331	301 292 2843	Jeneanne Hunter	209	varies						
John F. Kennedy Center for the Performing Arts		Washington DC 20566	202-416-8032	n/a	Elizabeth Thomas	Concert Hall seats 2,759; Opera House seats 2,318	Call for Rates	Eisenhower Theatre; seats 1,142; Theater Lab seats 398	Call for rates	Terrace Theater seats 475; AFI Theater seats 224	Call for rates	handicap accessible	Shuttle from Foggy Bottom/Blue-Orange
Joy of Motion Dance Center	5207 Wisconsin Ave, NW	Washington, DC 20015	202-387-0911(main office)	n/a	Johanna Whisenhunt	Jack Guidone Theater; seats 120	Available Sat. and Sun Eves. With Friday Tech-In; \$750 for the weekend					accessibilityfor handicapped through back entrance	Friendship Heights(Jenifer St. Exit)/Red
Levine School of Music	2801 Upton St. NW	Washington, DC 20008	202-686-9772	202-686-9733	Kate Hannon	Rehearsal Space Only/Very limited availability	Call for Rates						Call Metro for busline info
Lincoln Theatre	1215 U St, NW	DC 20009	202 328 9177	202 328 9245	Jocelyn Russell	1200	negotiable						U Street Cardozo Green Line
Market 5 Gallery	7th and North Carolina St. SE	Washington, DC 20003	202-543-7293	n/a	John Harrod	Seats 250; Exhibition Space is 1,500 sq. ft.	Avail. Tues-Friday for sit-down events; Tues-Sat. for exhibitions; cost negotiable					handicap accessible	Eastern Market/Blue-Orange
National Museum of Natural History/Baird Auditorium	Constitution Ave. at 10th St. NW	Washington, DC	202-357-1650	n/a	Ms. Brinkman or Mr. Tion Benson	Seats 565; cost is \$15,000 minimum contribution to a museum program	Available early morning to late night					handicap accessible	Federal Triangle/Blue-Orange
National Museum of Women in the Arts	1250 N.Y. Ave NW	Washington, DC 20005	202-783-7366	n/a	Mary Alice Nay	Great Hall seats 100-500; reception : 100-1,000	Cost is \$9,000	Auditorium seats 197	\$800 nonprofit rate; \$1,250 corporate rate			Tax deductible as permitted by law; handicap accessible	Metro Center/Red-Blue-Orange; call for directions from station
Olney Theatre Center for the Arts	2001 Olney-Sandy Spring Rd.	Olney, MD 20832	301-924-4485	301-924-2654	Lisa McKillor	Main Space seats 550	Cost negotiable	Indoor porch available for receptions, weddings, parties	Cost negotiable			handicap accessible	Car needed
Oxford Academy of the Arts	401 8th St, SE or PO Box 15504	Washington DC	202 544 4962	202 544 6505	Lou Elias or Nancy Sedowick	30	\$40/hr						Eastern Market/Blue-Orange
Publick Playhouse	5445 Landover Rd.	Hyattsville, MD 20784	301-277-1711	n/a	Curlen Lee, General Mgr.	Main proscenium space seats 462	Sliding scale fee	Limited exhibition space available	Sliding Scale Fee			handicap accessible	Car needed or call for busline info.
Reston Community Center Theatre	2310 Colts Neck Rd.	Reston, VA 22091	703-476-4500	n/a	Leila Gordon		Base rate is \$65/hr.; associated fees-staoc crew provided					Reston-based organizations given priority; handicap accessible	Car needed
Rockville Civic Center	603 Edmonston Dr.	Rockville, MD 20851	301-309-3003(voice mail of contact)	n/a	Ms. Kim Haug, supervisor	Fitzgerald Theatre seats 500	\$1,196 per performance or per eight hours					handicap accessible	Car needed, or call Metro for info
Shakespeare Theatre at Landsburgh	450 Seventh St. NW	Washington DC 20004	202-547-3230	n/a	Rita St. Gunther, ext. 2226; or Robert Ramsey, ext. 2520	Theatre seats 449	Cost varies according to event	Lobby available(38' by 57')	Cost varies by event			handicap accessible	Archives/Navy Memorial/Yellow-Green
Source Theatre Company	1835 14th St. NW	Washington, DC 20009	202-462-1773	202-462-2300	Ms. Garland Scott	Theatre seats 101	Cost negotiable					handicap accessible	U Street-Cardozo/Green
Studio Theatre	1333 P St, NW	DC 20005	202 232 7267	202 588 5262	Keith Alan Baker	200	varies						Dupont Circle/Red

Uptown Destination District Study

Matrix summarizing regional theater venues (Provided by City)

Location's Name	Address	City/State/Zip	Phone	Fax	Contact	Capacity-Space One	Cost	Capacity - Space Two	Cost	Capacity-Space Three	Cost	Special Conditions	Nearest Metro Station/Busline
Theatre J, DC Jewish Community Center	1529 16th NW	Washington DC 20036	202-518-9400	202-518-9420	Amy Mayer, ext. 263	Goldman Theatre - seats 236-256	For an eight hour period : \$900 Standard Rate or \$700 Nonprofit Rate					Proscenium; raked house, equipped fpr 35mm and 16mm film	four blocks to Dupont Circle/Red
U.S. Dept. of Agriculture/Jefferson Auditorium	Independence Ave. NW, between 12th and 14th St.'s SW	Washington DC	Executive Services Office 202-720-8482	n/a	Mr. Kerry Gordon	Auditorium seats 512	Cost varies according to needs of the event. Call for information					Available to government agencies and nonprofit agencies only; handicap accessible	Smithsonian(Independence Ave. Exit)/Blue-Orange
U.S. Navy Memorial	701 Penn. Ave. NW, Ste. 123	Washington, DC 20004-2608	202-737-2300	202-737-2308	Paul T. Haley, ext. 713, or John Hoshko, ext. 712	Arleigh and Roberta Burke Theatre seats 240	All day-\$1500; Half day-\$800; Evening-\$1000	Presidents' Room seats 50	All day-\$1000; Half day-\$600; Evening \$600	Gallery Deck /Reception area	Available evenings only-\$1500	Gallery Deck and Pres. Room together, or the entire facility is available for evening events for extra cost ;handicap accessible	Metrobus from College Park Station/Green
University of District of Columbia	4200 Connecticut Ave. NW	Washington, DC 20008	202-274-5119	n/a	n/a	Auditorium seats 930	avail. Sun.-Sat., 8 am-midnight, Call for rates					Scene shop available; handicap accessible	Van Ness-UDC/Red
University of Maryland/Conference Center	University Blvd. At Adelphi Rd.	College Park, MD 20742-1610	301-985-7300; 301-985-7332	301-985-7445	Joanne Zeigler, Senior Sales Mor.	Hotel/Banquet Facilities with range of options	Call for information packet					Handicap Accessible	Metrobus from College Park Station/Green
Warner Theatre	1299 Penn. Ave. NW	Washington, DC 20004	202-626-8250	202-783-0204	Ask for Rental Coordinator	Theater seats 1,847	Per performance : \$3,000 and 10% of ticket sales	If no admission charged, \$5,000 flat.				Additional fees for insurance, staff, box office, security, equipment rental, etc.	Metro Center/Reed-Orange-Blue
Writer's Center	4508 Walsh St	Bethesda, MD 20815	301 654 8664	301 654 8667	Jane Fox	100-200 auditorium	\$60/hr						Silver Spring Red Line

Uptown Destination District Study
Area Cultural and Entertainment Venues

Name	Location (Neighborhood)	Distance to Subject (Mi.)	Size (Seats or Capacity)	Event Mix	Performance Schedule	Season/ Use	Audience Profile	Profit/ Non- Profit
1. Performance Theaters (Existing)								
The Lincoln Theatre, 1215 U Street, NW	Shaw / U Street	0.60	1,250	Various, including film, theatre, concerts, perf.	Approx. 150/yr.	All Year/ Presents	Predominantly African American (80%). Starting to expand reach into other ethnic groups.	Non-Profit
The Source Theatre, 1835 14th Street, NW	Shaw/ U Street	0.70	107	Contemporary, classicals, and New Plays	Approx. 180 per Equity season	Sept. - July for Equity Season, August for Washington Theatre Festival/ Produce	Mixed. Presents plays to develop and nurture diverse community of artists	Non-Profit
The Studio Theatre, 1333 P Street, NW	Logan Circle	1.50	2 x 200	Contemporary acts, bold performance works, eclectic urban theatre, and innovative revivals.	Approx. 200 - 250 per season	Sept. - June/ Produce	Predominantly white, high income professionals, aged 23 - 45	Non-Profit
Cramton Auditorium, 2455 6th Street, NW	Howard University	0.80	1,508	Lectures, Popular concerts, Gospel, Dance	Approx. 190/ yr.	All year except July	Predominantly young blacks associated with the University	Non-Profit
The Warner Theater, 513 13th Street, NW	Downtown	2.40	1,847	Broadway Shows, Popular Concerts, Rock & Roll, Modern Dance, Gospel	Approx. 180 per year	All year/ Presents	Varies with event. Broad and diverse.	Profit
The National Theater, 1321 Pennsylvannia Ave., NW	Downtown	2.40	1,694	Broadway Shows, Concerts, Premiere Films,	Approx. 180 per year	All year/ Presents	Varies with event. Broadway shows attract a diverse audience.	Non-Profit
Lisner Auditorium, 21st and H Streets, NW	George Washington University	3.00	1,495	Plays, talent contests, dance recitals, popular concerts	125 to 150 per year	All Year/ Presents	Varies with event, but typically White, under 30 years old, students and alumni of University	Non-Profit
The Kennedy Center, 2700 F Street, NW	Foggy Bottom	3.20	300; 512; 2,316; 2,759; and 1,142	Broadway, Off- Broadway, Ballet, Opera, Contemporary and Classical Plays, Dance, Musicals, Concerts	Approximately 3,000 per year split across the five theaters	All Year/ Produces and Presents	Varies with event	Non-Profit
Arena Stage, Sixth Street, SW	1101 SW Waterfront	4.20	120; 514; and 827	Wide variety of plays (vast epic, charged drama, bittersweet comedy, robust musical, and American Classics)	Approx. 700 per season	All year in Old Vat and Sep. to June in other two theaters/ Produces	Predominantly white, age 30 - 45.	Non-Profit
Ford's Theatre, 511 Tenth Street, NW	Downtown	1.40	699	Plays, musicals, one- man shows	270 - 300 per season	October to July/ Produces	Varies with type of performance.	Non-Profit
DAR Constitution Hall, 1776 D Street, NW	Downtown	2.00	3,746	Wide variety including popular concerts, classical music, and seminars	Approx. 190 - 200 per year	All Year/ Presents	Varies with type of performance	Non-Profit
Shakespeare Theater at the Lansburgh, 450 7th Street, NW	Downtown/ East End	1.20	450	Classic Theatre	5 shows = 250 - 300 per season	Sep. - June/ Produce	Mixed audience, predominantly over 30 years old, highly educated and familiar with classical plays	Non-Profit
Greenberg Theater, 4200 Wisconsin Ave., NW	Tenleytown	3.20	300	Variety of musical theatre, plays, and concerts	100 - 150 per season	Sep. - May/ Produce	Varies with type of performance, predominantly students and young professionals.	Non-Profit

Uptown Destination District Study
Area Cultural and Entertainment Venues

Name	Location (Neighborhood)	Distance to Subject (Mi.)	Size (Seats or Capacity)	Event Mix	Performance Schedule	Season/ Use	Audience Profile	Profit/ Non- Profit
RoundHouse theater , East West Hgwy & Waverly Streets	Bethesda	4.00	400	Variety of contemporary and classical adaptation plays		Year Round/ Produce and Presents	Varies with type of performance, however often predominantly white due to location	Non-Profit
Carter Barron Amphitheater , 16th & Colorado Ave., NW	Rock Creek Park	3.00	N/A	Variety of plays, concerts, and performances	N/A	Seasonal, principally May- Sept.	Varies with type of performance	Non-Profit
2. Performance Theaters (Under Construction/Planned)								
Harman Center for the Arts , 7th and E Street, NW	East End	1.20	800	Variety of plays and musical concerts and dance performances	to be determined	All year/ Produce and Present	Varies with type of performance	Non-Profit
Woolly Mammoth Theater , 7th and D Streets, NW	East End	1.20	265	Variety of plays, focusing on exploration and artistic interpretation	Approx. 200 per year	All year/ Produce	Varies with type of performance	Non-Profit
Atlas Performing Arts Center 1327 - 1333 H Street, NE	H Street Corridor	1.20	225; 276	Variety of plays, dance, and theatrical performances	to be determined	All year/ Produce and Present	Strong community focus.	Non-Profit
Tivoli Theater , 3301 14th Street, NW	Columbia Heights	1.50	250	Variety of performing arts from Spain and Latin America	to be determined	to be determined	Predominantly spanish and latin american due to event mix	Non-Profit

Uptown Destination District S
Area Cultural and Entertainment

1. Performance Theaters (Ex)

Name	Strengths	Weaknesses	Opportunities	Threats	Other Comments
The Lincoln Theatre, 1215 U Street, NW	Rich cultural heritage. Intimate setting. Recently renovated	Too few seats to compete for national plays and concerts. Deferred maintenance	Become better rental facility for market. Expand film slate	Competition for limited plays and concerts	Community has expressed strong desire for theater to be more active during the year. Current demand is not well suited to provide economic impact to neighborhood.
The Source Theatre, 1835 14th Street, NW	24th Season. Strong Brand. Produces 5 productions each season and the Annual Wash. Theatre Festival	Work requires significant financial support from DC Commission on the Arts, foundations, corporations, and individual donors	Working to become a true arts center by providing quality work for artists, designers, writers, actors, etc.	Impact from reduced funding	First arts organization to locate on 14th Street corridor after 1968 riots.
The Studio Theatre, 1333 P Street, NW	\$12 million renovation/expansion underway. Includes two intimate theaters	?	Increase dominance in small theater performance market with new expansion.	?	Strong in-house theater group.
Cramton Auditorium, 2455 6th Street, NW	Installed audience base. Strong financial support	Limited reach beyond University Campus	Expanding reach beyond University campus community	Competition from other University Performing Arts Centers.	
The Warner Theater, 513 13th Street, NW	Renovated in 1992. Excellent location just off the Mall in dwntn. Strong mkt penetration	Converted movie theater. Has limited stage, no fly and no wings.	Managed by Clear Channel Communications which increases its ability to showcase product	New larger theater with more seats would displace major component of current accomodated demand.	
The National Theater, 1321 Pennsylvannia Ave., NW	Excellent location three blocks from white house. Top notch management in Shubert Organization.	Small size, with a number of seats positioned far away from stage (3rd balcony)	Managed by Shubert Organization and therefore has connections to Shubert's network	New larger theater with more seats, however Shubert organization can mitigate much of the market risk.	Offers free music, dance, and comedy acts to public on Monday nights and to families on Saturday Mornings. Free film screenings during summer months at 6:30pm on Mondays.
Lisner Auditorium, 21st and H Streets, NW	Captive audience base from University. Strong financial support.	Positioned as a University Performing Arts Center	Expanding reach beyond University campus community	Rental income susceptible to other theaters in the market place.	
The Kennedy Center, 2700 F Street, NW	National cultural Institution. Nation's busiest arts facility. Home to National Symphony Orchestra. Strong financial support through Gov't. and private donors	Requires significant federal and private funding to maintain its broad Performing Arts and Education programs. Riverside Location	Opera House is being renovated. Plans for significant expansion are seeking funding support. Diversify programs to include more popular subjects with mass market appeal.	Previously was parking (currently being remedied)	Touring productions and broadcasts reach millions. Offers hundreds of free performances each year. Frequently commissions new ballet and dance works, sponsors two dance residency programs, and co-produces major operas. Facility also presents annual festivals. Has co-produced over 150 new works of theater over its 32 years of operations.
Arena Stage, 1101 Sixth Street, SW	Largest of Washington Area's not-for-profit producing theaters.	Isolated location. Surrounding neighborhood lacks vibrant appeal.	Significant renovation under development with signature architect.		First regional theater to transfer a production to Broadway
Ford's Theatre, 511 Tenth Street, NW	National Tourist Landmark.	Historically Preserved Structure. Not up to date with latest in theater design and comforts.			New artistic director recently hired.
DAR Constitution Hall, 1776 D Street, NW	DC's largest concert hall housed in a registered National Landmark building.	Auditorium layout versus theater layout	Upgraded for temporary home for the Opera		
Shakespeare Theater at the Lansburgh, 450 7th Street, NW	National reputation. State of the Art new theater.	Extremely focused subject matter	New theater will enable greatly expanded reach and subject coverage	N/A	Strong educational program arm as well. Recently announced new 800-seat Sydney Harman Theater to join existing theater. \$10 million operating budget
Greenberg Theater, 4200 Wisconsin Ave., NW	New facility for all of AU's Performing Arts events. Double's size of existing experimental theater	Student level of talent. Not professional caliber	Continue to expand reach of theatrical programming beyond campus and student population	N/A	

Uptown Destination District S
Area Cultural and Entertainment

Name	Strengths	Weaknesses	Opportunities	Threats	Other Comments
RoundHouse theater , East West Hgwy & Waverly Streets	New Theater located in vibrant suburban community.	N/A	Build on positive brand awareness.	Ongoing financial support	Strong theatrical education and outreach program. Offers a full complement of theatrical education classes.
Carter Barron Amphitheater , 16th & Colorado Ave., NW	Outdoor Amphitheater	Outdoor Amphitheater. Operated by National Park Service	Cover the seating area (under consideration). Private Management	Weather first and foremost	Announced major renovation in November 2003. Electrical fixtures and infrastructure will be updated, concrete repaired, and stormwater drainage improved.
2. Performance Theaters (Urban)					
Harman Center for the Arts , 7th and E Street, NW	Creates a state-of-the- art mid-size performance facility	N/A	Expands Shakespeare Theater's reach to a national level. Broadens artistic mission of Shakespeare Theatre	N/A	Harman invested \$15 million. City invested \$20 million. Development cost is approximately \$77 million. Scheduled to open in early 2007. Flexible configurations will allow for a proscenium, thrust, semi-arena or bare stage.
Woolly Mammoth Theater , 7th and D Streets, NW	New venue will give well known theater group a deserved home.		Create "Performance Arts" district by joining forces with new Harman Center for the Arts.	Ongoing financial support.	Also conducts an extensive educational curriculum and outreach program to the community. Celebrating its 25th year in the fall. New theater will be housed in 30,000 sf bldg. And includes 420-unit apartment complex.
Atlas Performing Arts Center 1327 - 1333 H Street, NE	Sole community-based performing arts center in D.C.	\$14 million campaign (Over \$6 million has been pledged).	Will form the cultural center for a renewed neighborhood.	N/A	Will be home to ACTCO, Washington's only professional black theater company. Provides 4th site for Joy of Motion Dance Company.
Tivoli Theater , 3301 14th Street, NW	New theater will give established performance group a home.	All performances in Spanish with simultaneous English Translation via headset	Expand recognition.	Outside of primary downtown/14th street arts corridor/district.	Campaign goal of \$3.3 million.



MEMORANDUM

To: Anita Morrison
From: Petr Spurney Jr.
Date: March 8, 2004
RE: **Cultural and Entertainment Suggestions for balance of the Uptown Destination District**

Per your request, my father and I have assembled a list of possible cultural and/or entertainment development opportunities for some of the key remaining development sites in the Uptown Destination District. The accompanying map highlights each of the sites we considered and the primary recommendations for each.

The addition of cultural and entertainment venues throughout the Uptown Destination District will enhance the performance of the area in several ways:

- Multiple “anchors” will combine to create a stronger pull to draw visitors from a broader market area;
- An increased number of programmable venues will enhance consumer choice and encourage repeat visitation to the district;
- Additional venues will also extend the length of stay within the district, thus leading to increased expenditures; and
- Distinguish the district from surrounding neighborhoods, thus leading to improved market positioning and capture of demand

To be most effective, additional cultural and entertainment venues should perform one of the following two functions:

1. **Activity Generator** – Venues that draw a broad segment of the consumer market, extend the geographic range of the market, and enhance penetration within the larger market; and/or
2. **Activity Extender** – Venues that enhance the length of stay within the district, increase repeat visitation to the district, attract a broad base of customer segments, and support both daytime and evening itineraries.

Our following suggestions also took into consideration the long length of the District’s East/West axis along U Street. In order for consumers to fully experience all the District has to offer, the additional venues must be strategically placed along or within view of this important axis to be effective. If successful, the combined pool of venues will create a “String of Pearls” that lead the consumer from one magnet attraction to the next. It is imperative that the architectural streetscape reinforces this concept by providing a unified and complementary aesthetic that subconsciously leads consumers along its path.



We believe the following existing sites provide excellent “Pearl” locations within or just outside the district.

- 14th and U St. Intersection – anchors the western boundary of the district and provides the main point of entry/exit for consumers coming from the West.
- Lincoln Theater – important entertainment venue that draws consumers eastward. Adjacent to Ben’s Chili Bowl restaurant, thus creating a powerful combination of activity generation (Lincoln) and activity extension (Ben’s);
- Bohemian Gardens – strong activity generator that continues to draw consumers eastward.
- Civil War Memorial – small but significant cultural venue drawing visitors eastward. Also one of the few attractions on the southern side of U St,

Our recommendations for the Howard Theater will create an important “Pearl” to anchor the Eastern boundary of the District. However, as you know, this creates a large gap between 10th and 7th streets where no cultural/entertainment anchors currently exist. Two sites lie directly in this gap and it is imperative that one if not both of them be developed with cultural/entertainment uses. Such an approach will complete the string of Pearls, thereby eliminating the potential isolation of the Howard Theater while simultaneously increasing the effectiveness of drawing consumers through the district.

1. HFA Site

The prominent location at the corner of U St. and Florida Ave. creates a critical physical and visual link between the western and eastern portions of the district. The southern cant of Florida Ave. blocks consumers on U Street from seeing the Howard and other uses on Florida and vice versa. Thus this site forms the western anchor of the eastern half of the district and the eastern anchor of the western half. A cultural and/or entertainment venue here accomplishes the ever so important goal of drawing consumers from one half of the district to the other and thus acts as a midpoint in the district.

Given its key role in linking both halves, we recommend that this site be identified as the next site for development within the district. We further recommend one of the following cultural and/or entertainment uses be included in its redevelopment. The type of use recommended by the City will depend on a host of evaluation criteria, similar to the ones we used in assessing different reuse options for the Howard Theater

1. African American Heritage Museum – dedicated to prominent African Americans from DC, as opposed to a National African American museum. An important emphasis of the museum would focus on African Americans and their heritage from the immediate Shaw neighborhood, but in order to reach a broader audience we suggest the museum broaden its coverage to include the heritage of the region.



2. Large Live Music Performance Venue – incorporating capacity for up to 5,000 visitors (based on site constraints). The proximity of this location to the 9:30 club provides an excellent synergy for the two and begins to create a critical mass of music clubs within the district.
3. Visitor Center for the Heritage Trail – provides orientation for visitors to the District. Should be enhanced with important cultural assets, such as an honor roll of great black Americans, prominent Shaw personalities, and achievers.

2. CVS Site

This site creates an important physical and visual link between the eastern anchor (Howard Theater) and newly defined western anchor (HFA site) of the eastern half of the district. It also draws visitors to the southern side of Florida and towards the 7th Street corridor.

The site offers the potential to extend the improvements of square 441, thus connecting them to Florida Street and the other Pearls located westward in the district. In order to create a strong linkage with Square 441 and the Howard Theater, it is important that the eastern side (along 7th Street) of the site include a cultural and/or entertainment use.

We recommend the following possibilities:

1. Art Exhibit/Gallery – highlighting African American sculpture, painting, and art. The location on 7th Street since would form a nice extension of the gallery district currently located along 7th Street southward;
2. Unique Food and Beverage Venue – We believe there is a need for additional full-service and casual dining restaurants in the district. Given the consumer trends affecting the neighborhood and the installed customer bases of Howard University and the Hospital, potential concepts could include a prime take out service (e.g., Chicken Out, Pret-A-Manger, Panera Bread). We further believe that a major national food and beverage chain with a strong African American clientele base (e.g., Houston's, Copeland's, Tony Roma's) would be supported and successful at this location.
3. Jazz History Museum – Expands on cultural importance of Howard and Lincoln theaters and the role Jazz played in Washington and the East Coast during the first half of the 20th Century
4. African American Heritage Museum – Secondary location. See description above.



Presented below are some additional insights and recommendations for sites and uses in the broader Uptown Destination District.

The Grimke School

- Arts Center for the community that also incorporates an Adult/Continuing Education Facility that offers continuing education classes and in both Fine Arts and Performing Arts.
- Include a small Visitor Center to orient district visitors to the area and its “must see” attractions and pearls

Green Space

One or more of the following sites should be converted into open space that has the capabilities (e.g., sloped or raked berm, Gazebo, or bandstand) for live musical performances. Space would also host “open air” markets as demanded.

1. Triangle in front of Howard Theater
2. NW corner of CVS site
3. WMATA property b/w 8th and 9th streets along the southern edge of Florida Ave.
4. City owned land between 9th St. and Vermont Ave. along the southern edge of U St.

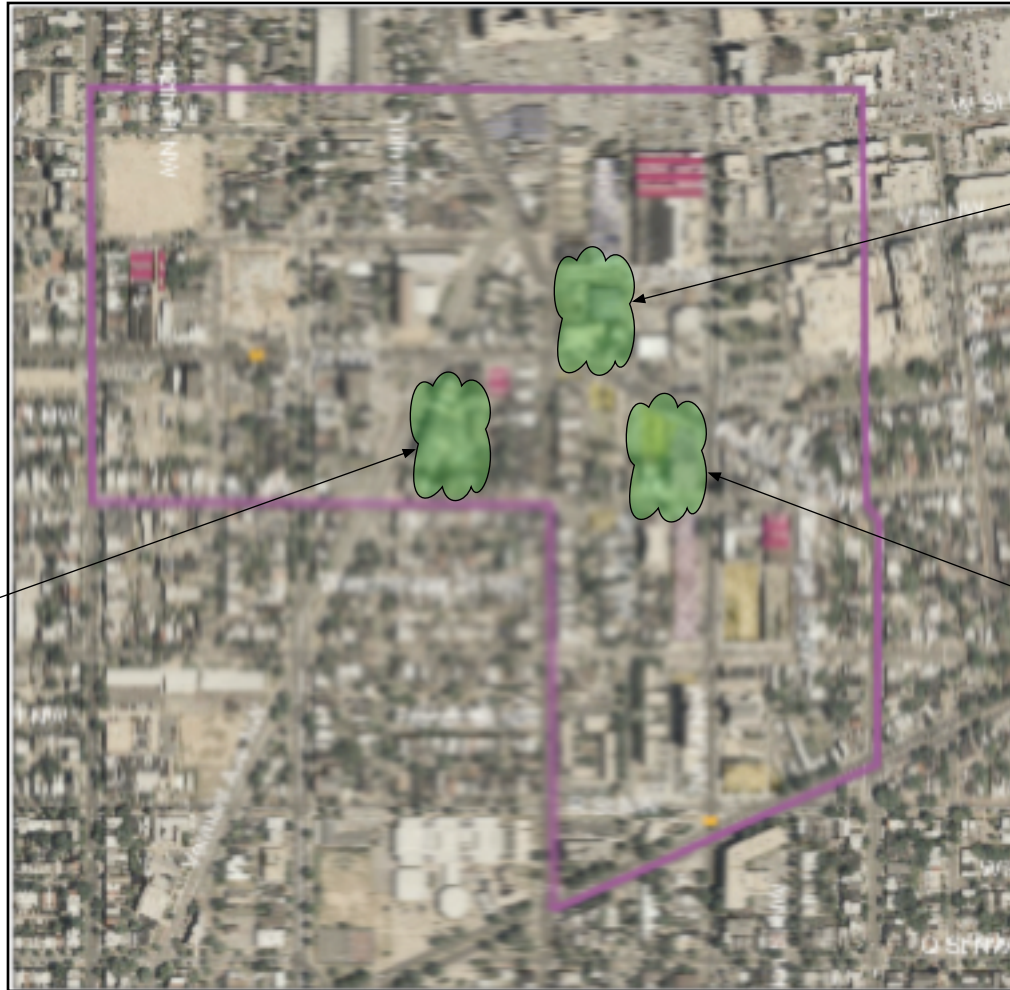
Suggested Cultural and/Or Entertainment Uses Uptown Destination District

Green Space (Various)

- Triangle in front of Howard Theater
- NW corner of CVS Site
- WMATA property b/w 8th and 9th
- City land b/w 9th and Vermont Ave.

Grimke School site

- Arts Center
- Adult/Continuing Education Facility
- Visitor Center



HFA site

- African American Heritage Museum
- Large Live Music Performance Venue
- Visitor Center for the Heritage Trail

CVS site

- Art Exhibit/Gallery
- Unique Food and Beverage Venue
- Jazz History Museum
- African American Heritage Museum (2nd Location)